

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. UTU-01191A
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME Not Applicable
2. NAME OF OPERATOR Coastal Oil & Gas Corporation			7. UNIT AGREEMENT NAME Natural Buttes
3. ADDRESS OF OPERATOR P. O. Box 749, Denver, Colorado 80201-0749			8. FARM OR LEASE NAME NBU
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 682' FNL, 404' FEL (NE $\frac{1}{4}$ NE $\frac{1}{4}$) Section 33, T9S, R22E At proposed prod. zone Same As Above			9. WELL NO. 138
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approximately Twelve (12) Miles Southeast of Ouray, Utah			10. FIELD AND POOL, OR WILDCAT Natural Buttes 630
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 404'	16. NO. OF ACRES IN LEASE 1363.21	17. NO. OF ACRES ASSIGNED TO THIS WELL 80	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Section 33, T9S, R22E
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2100'±	19. PROPOSED DEPTH 6950' DSTC	20. ROTARY OR CABLE TOOLS Rotary	12. COUNTY OR PARISH Uintah
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 4594' GR			13. STATE Utah
22. APPROX. DATE WORK WILL START* May 15, 1991			

23. (ALL NEW) PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8" K-55	24.0#	0- 250'	180 sx Circulated to Surface *
7-7/8"	5-1/2" K-55	17.0#	0-6950'	545 sx Circulated to Surface *

* Cement volumes may change due to hole size.
Calculate from Caliper log.

RECEIVED
APR 17 1991

EIGHT-POINT RESOURCE PROTECTION PLAN ATTACHED.

DIVISION OF
OIL, GAS & MINING

I hereby certify that Coastal Oil & Gas Corporation is authorized by the proper Lease Interest Owners to conduct lease operations associated with this Application for Permit to Drill the NBU #138, Federal Lease # UTU-01191A. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Coastal Oil & Gas Corporation, Nationwide Bond # CO-0018, who will be responsible for compliance with all the terms and conditions of that portion of the lease associated with this Application.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

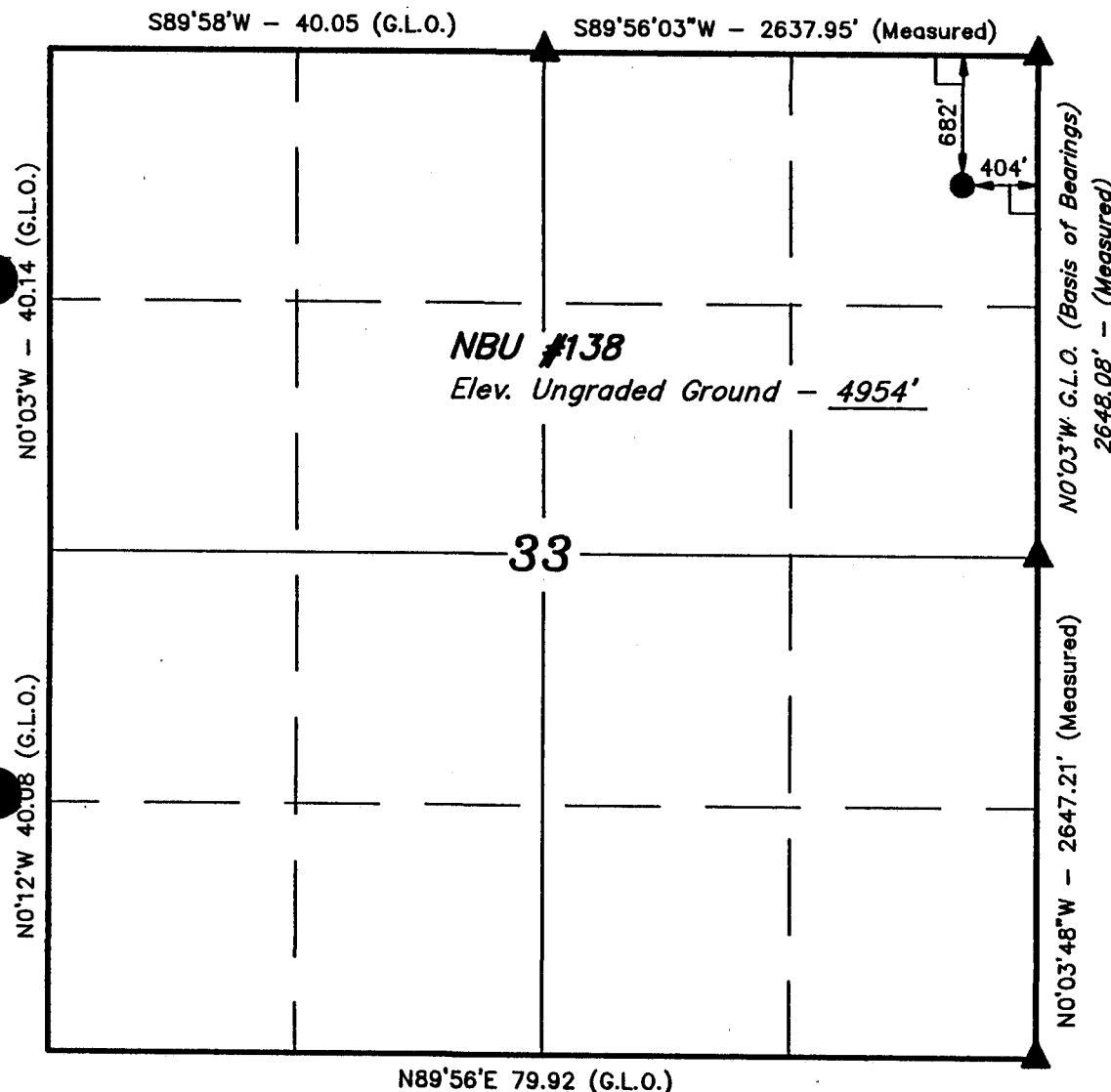
24. SIGNED Charles E. Mowry TITLE District Drilling Manager DATE 04/10/91
(This space for Federal or State office use)

PERMIT NO. 43-047-30010 APPROVAL DATE _____
APPROVED BY _____ TITLE _____
CONDITIONS OF APPROVAL, IF ANY: _____

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING
DATE: 4-26-91
BY: John Matthews
WELL SPACING: 615-2-3

*See Instructions On Reverse Side

T9S, R22E, S.L.B.&M.



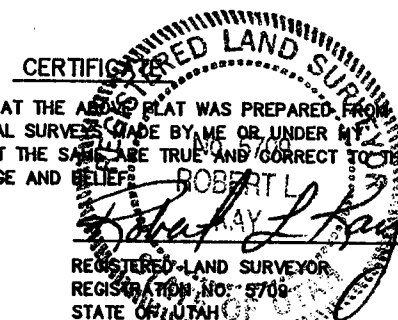
▲ = SECTION CORNERS LOCATED. (Brass Caps)

COASTAL OIL & GAS CORP.

Well location, NBU #138, located as shown in the NE 1/4 NE 1/4 of Section 33, T9S, R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN. NE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.



THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEY MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

UINTAH ENGINEERING & LAND SURVEYING
 85 SOUTH 200 EAST - VERNAL, UTAH 84078
 (801) 789-1017

SCALE 1" = 1000'	DATE 3-14-91
PARTY J.F. M.W. J.R.S.	REFERENCES G.L.O. PLAT
WEATHER COOL	FILE COASTAL OIL & GAS CORP.

COASTAL OIL & GAS CORPORATION
Lease #UTU-01191A, NBU #138
NE $\frac{1}{4}$ NE $\frac{1}{4}$, Section 33, T9S, R22E
Uintah County, Utah

Drilling Prognosis

1. Estimated Tops of Important Geologic Markers:

Uinta	Surface	Wasatch	4470'
Green River	1211'	Total Depth	6950'

2. Estimated Depths of Anticipated Water, Oil, Gas or Mineral Formations:

Wasatch	4470'	Gas (Primary Objective)
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If any shallow water zones are encountered, they will be adequately protected and reported; none anticipated. All potentially productive hydrocarbon zones will be cemented off.

3. Pressure Control Equipment: (Schematic Attached)

A. Type: 11" Double Gate Hydraulic.

The Blow-Out Preventer will be equipped as follows:

1. One (1) blind ram (above).
2. One (1) pipe ram (below).
3. Kill line (2-inch minimum).
4. One (1) kill line valve (2-inch minimum).
5. One (1) choke line valve.
6. Two (2) adjustable chokes.
7. Upper kelly cock valve with handle available.
8. Safety valve & subs to fit all drill strings in use.
9. 2-inch (minimum) choke line.
10. Pressure gauge on choke manifold.

B. Pressure Rating: 2,000 psi

C. Testing Procedure:

At a minimum, the BOP, choke manifold, and related equipment will be pressure tested to the approved working pressure of the BOP stack (if isolated from the surface casing by a test plug) or to 70% of the internal yield strength of the surface casing (if the BOP is not isolated from the casing by a test plug). Pressure will be maintained for a period of at least ten (10) minutes or until the requirements of the test are met, whichever is longer.

3. Pressure Control Equipment:

C. Testing Procedure: Continued

At a minimum, the above pressure test will be performed:

1. When the BOP is initially installed;
2. Whenever any seal subject to test pressure is broken;
3. Following related repairs; and
4. At thirty (30) day intervals.

In addition to the above, the pipe and blind rams will be activated each trip, but not more than once each day.

All BOP drills and tests will be recorded in the IADC driller's log.

D. Choke Manifold Equipment:

All choke lines will be straight lines unless turns use tee blocks or are targeted with running tees, and will be anchored to prevent whip and vibration.

E. Accumulator:

The accumulator will have sufficient capacity to close all BOP's and retain 200 psi above precharge. Nitrogen bottles which meet the manufacturer's specifications will be used as the backup to the required independent power source. The accumulator precharge pressure test will be conducted prior to connecting the closing unit to the BOP stack and at least once every six (6) months thereafter. The accumulator pressure will be corrected if the measured precharge pressure is found to be above or below the maximum or minimum limits specified in Onshore Operating Order #2.

F. Special Drilling Operations:

In addition to the equipment already specified in Items A through E, above, the following equipment will be in place and operational during air/gas drilling:

1. Properly lubricated and maintained rotating head.
2. Spark arresters on engines or water cooled exhaust.
3. Blooie line discharge 100 feet from well bore and securely anchored.

3. Pressure Control Equipment:

F. Special Drilling Operations: Continued

4. Straight run on blooie line.
5. Deduster equipment (not required on aerated water system).
6. All cuttings and circulating medium(s) shall be directed into a reserve or blooie pit.
7. Float valve above bit.
8. Automatic igniter or continuous pilot light on the blooie line (not required on aerated water system).
9. Compressors located in the opposite direction from the blooie line and at a minimum of 100 feet from the well bore.
10. Mud circulating equipment, water, and mud materials (does not have to be pre-mixed) sufficient to maintain the capacity of the hole and circulating tanks or pits.

G. Miscellaneous Information:

The Blow-Out Preventer and related pressure control equipment will be installed, tested and maintained in compliance with the specifications in and requirements of Onshore Operating Order #2.

The choke manifold and BOP extension rods with hand wheels will be located outside the rig sub-structure. The hydraulic BOP closing unit will be located at least twenty-five (25) feet from the well head but readily accessible to the driller.

Exact locations and configurations of the hydraulic BOP closing unit will depend upon the particular rig contracted to drill this hole.

A flare line will be installed after the choke manifold, extending 100 feet (minimum) from the center of the drill hole to a separate flare pit.

4. The Proposed Casing and Cementing Program: (All New)

A. Casing Program

<u>Hole Size</u>	<u>Casing Size</u>	<u>Wt./Ft.</u>	<u>Grade</u>	<u>Joint</u>	<u>Depth Set</u>
12-1/4"	8-5/8"	24.0#	K-55	ST&C	0- 250'

4. The Proposed Casing and Cementing Program:

A. Casing Program - Continued

<u>Hole Size</u>	<u>Casing Size</u>	<u>Wt./Ft.</u>	<u>Grade</u>	<u>Joint</u>	<u>Depth Set</u>
7-7/8"	5-1/2"	17.0#	K-55	LT&C	0-6950'

Casing string(s) will be pressure tested to 0.22 psi per foot, or 1500 psi (not to exceed 70% of the internal yield strength of the casing), whichever is greater, after cementing and prior to drilling out from under the casing shoe.

B. Cementing Program

Surface Casing : Cement with approximately 180 sx Class "G" cement + additives, circulated to surface with 100% excess.

Production Casing : Lead with approximately 350 sx Halliburton Silica "Lite" cement with 4% Gel, 4% CaCl₂, 0.3 % Halad-413 and 2.0#/sx Granulite TR; tail with approximately 195 sx Class "G" cement + additives. Cement will be circulated back to surface with 30% excess.

Actual cement volumes to be required will be determined from the caliper log.

All waiting on cement (WOC) times will be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.

5. Mud Program: (Visual Monitoring)

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Viscosity</u>	<u>Fluid Loss</u>
0-6950'	Aerated Water	-----	-----	-----

Sufficient quantities of mud materials will be maintained or readily accessible for the purpose of assuring well control during the course of drilling operations.

6. Evaluation Program:

Logs : DIL-Caliper : 6950' - Surface
FDC-CNL : 6950' - 1500'

DST's : None anticipated.

Cores : None anticipated.

The proposed evaluation program may change at the discretion of the wellsite geologist, with prior approval from the Authorized Officer, Bureau of Land Management.

Stimulation : No stimulation or frac treatment has been formulated for this test at this time. The drill site, as approved, will be of sufficient size to accommodate all completion activities.

Whether the well is completed as a dry hole or as a producer, Well Completion and Recompletion Report and Log (Form 3160-4) will be submitted to the Book Cliffs Resource Area Office not later than thirty (30) days after the completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164.

Two (2) copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the Authorized Officer, Book Cliffs Resource Area Office, Bureau of Land Management, 170 South 500 East, Vernal, Utah 84078, Phone: (801) 789-1362.

7. Abnormal Conditions:

No abnormal temperatures or pressures are anticipated. No H₂S has been encountered in or known to exist from previous wells drilled to similar depths in the general area. Maximum anticipated bottom hole pressure equals approximately 3,232 psi (calculated at 0.465 psi/foot) and maximum anticipated surface pressure equals approximately 1,703 psi (bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. Anticipated Starting Dates and Notification of Operations:

A. Drilling Activity

Anticipated Commencement Date : May 15, 1991
Drilling Days : Approximately 10 Days
Completion Days : Approximately 7 days

B. Notification of Operations

The Book Cliffs Resource Area Office, Bureau of Land Management will be notified at least twenty-four (24) hours PRIOR to the commencement of the following activities:

1. Spudding of the well. This oral report will be followed up with a Sundry Notice (Form 3160-5);
2. initiating pressure tests of the blow-out preventer and related equipment;
3. running casing and cementing of ALL casing strings.

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in suspended status without prior approval of the Authorized Officer. If operations are to be suspended, prior approval of the Authorized Officer will be obtained and notification given before resumption of operations.

In accordance with Onshore Operating Order #1, this well will be reported on MMS Form 3160-6, "Monthly Report of Operations", starting with the month in which operations commence and continuing each month until the well is physically plugged and abandoned. This report will be filed directly with the Royalty Management Program, Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217.

Immediate Report: spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the provisions of NTL-3A or its current revision.

8. Anticipated Starting Dates and Notification of Operations:

B. Notification of Operations - Continued

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed for prior approval of the Authorized Officer, and all conditions of this approved plan will be applicable during all operations conducted with the replacement rig.

Should the well be successfully completed for production, the Authorized Officer will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication no later than five (5) business days following the date on which the well is placed on production.

Pursuant to NTL-2B, with the approval of the Authorized Officer, produced water may be temporarily disposed of into the reserve pit for a period of up to ninety (90) days. During this period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the Authorized Officer.

Pursuant to NTL-4A, lessees and operators are authorized to vent/flare gas during initial well evaluation tests, not exceeding a period of thirty (30) days or the production of fifty (50) MMCF of gas, whichever occurs first. An application must be filed with the Authorized Officer, and approval received, for any venting/flaring of gas beyond the initial thirty (30) day or otherwise authorized test period.

A schematic facilities diagram as required by 43 CFR 3162.7-2, 3162.7-3, and 3162.7-4 shall be submitted to the Vernal District Office within thirty (30) days of installation or first production, whichever occurs first. All site security regulations as specified in 43 CFR 3162.7 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-4.

A first production conference will be scheduled within fifteen (15) days after receipt of the first production notice.

8. Anticipated Starting Dates and Notification of Operations:

B. Notification of Operations - Continued

No well abandonment operations will be commenced without the prior approval of the Authorized Officer. In the case of newly-drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the Authorized Officer.

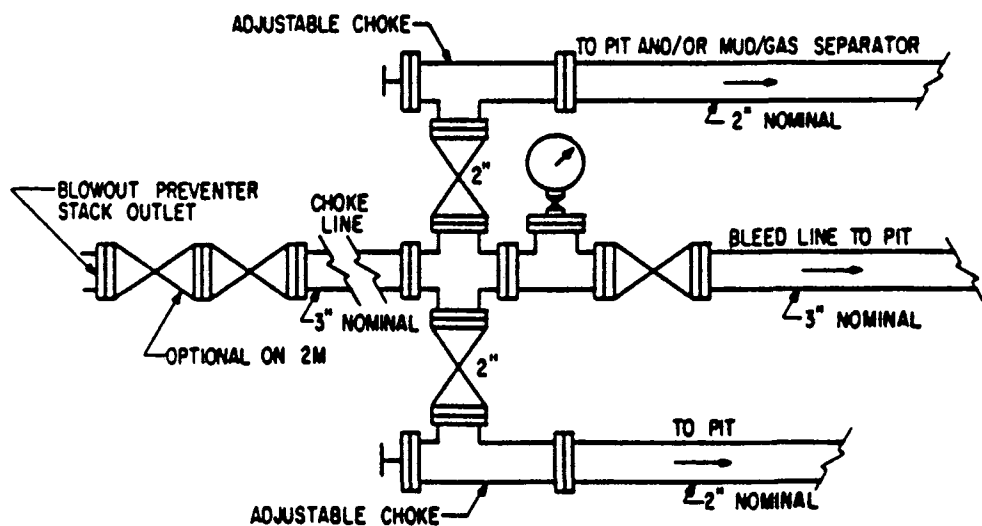
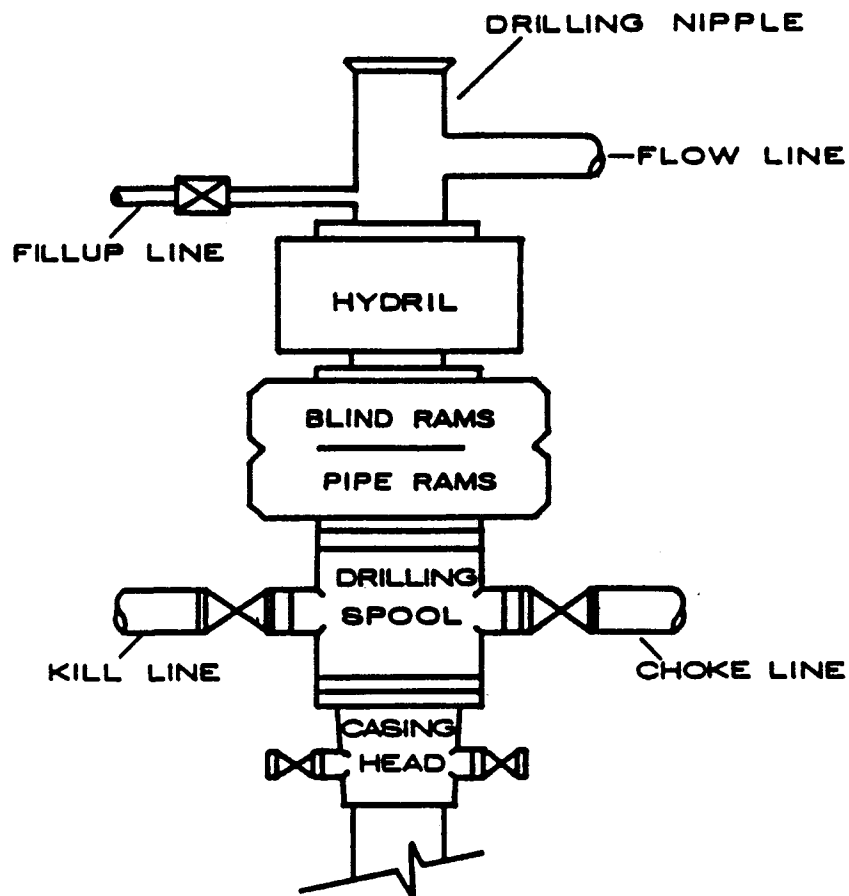
A "Notice of Intention to Abandon" (Form 3160-5) will be filed with the Authorized Officer within fifteen (15) days following the granting of oral approval to plug and abandon.

Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. The following information will be permanently placed on the marker with a plate, cap, or beaded-on with a welding torch: "Fed" or "Ind", as applicable; Company Name, Well Name and Number, Location by Quarter/Quarter, Section, Township, Range, and Federal or Indian Lease Number.

A "Subsequent Report of Abandonment" (Form 3160-5) will be submitted within thirty (30) days following the actual plugging of the well bore. This report will indicate where plugs were placed and the current status of surface restoration operations. If surface restoration has not been completed at that time, a follow-up report on Form 3160-5 will be filed when all surface restoration work has been completed and the location is considered ready for final inspection. Final abandonment will not be approved until the surface reclamation work required by the approved Application for Permit to Drill has been completed to the satisfaction of the Authorized Officer or his representative, or the appropriate Surface Management Agency.

Pursuant to Onshore Operating Order #1, lessees and operators have the responsibility to see that their exploration, development, production, and construction operations are conducted in such a manner which conforms with applicable Federal laws and regulations and with State and local laws and regulations to the extent that such State and local laws are applicable to operations on Federal and Indian lands.

BOP STACK



COASTAL OIL & GAS CORPORATION
Lease #UTU-01191A, NBU #138
NE $\frac{1}{4}$ NE $\frac{1}{4}$, Section 33, T9S, R22E
Uintah County, Utah

Multi-Point Surface Use and Operations Plan

1. Existing Roads: Refer to Maps "A" & "B" (shown in ORANGE)

- A. The proposed well site is staked and four 200-foot reference stakes are present.
- B. To reach the location from the town of Vernal, Utah; proceed generally southwest approximately 14.0 miles on U.S. Highway 40 (a paved U.S. highway), thence generally south approximately 17.0 miles on Utah Highway 88 (a paved state highway) to the community of Ouray, thence generally south/southeast approximately 11.5 miles on the Seep Ridge Road (an existing, upgraded Uintah County road), thence generally east/southeast approximately 4.0 miles on an existing, upgraded oilfield road (crowned & ditched with a gravel surface), thence continuing generally east/southeast approximately 4.9 miles on an existing, upgraded oilfield road (crowned & ditched with a gravel surface), thence generally north/northeast approximately 6.7 miles on an existing, upgraded oilfield road (crowned & ditched with a gravel surface), thence generally north approximately 0.4 miles to the proposed NBU #138 well location.
- C. Access roads - refer to Maps "A" and "B".
- D. Access roads within a one-mile radius - refer to Map "B".
- E. The existing gravel roads will be maintained in the same or better condition as existed prior to the commencement of operations and said maintenance will continue until final abandonment and reclamation of the NBU #138 well location.

2. Planned Access Roads: Refer to Map "B" (Shown in GREEN)

Approximately 0.4 miles of new road construction will be required for access to the proposed NBU #138 well location.

- A. Width - maximum 30-foot overall right-of-way with an 18-foot road running surface, crowned & ditched.
- B. Construction standard - the access road will be constructed in accordance with Bureau of Land Management Rooding Guidelines established for oil and gas exploration and development activities as referenced in the BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Third Edition.

2. Planned Access Roads: Continued

- B. Construction standard - the access road will be constructed to meet the standards of the anticipated traffic flow and all-weather requirements. Construction will include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well constructed and safe road.

Prior to construction/upgrading, the roadway shall be cleared of any snow cover and allowed to dry completely.

Traveling off of the thirty (30) foot right-of-way will not be allowed.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or the accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at a frequent intervals by means of cutouts.

Upgrading shall not be allowed during muddy conditions.

Should mud holes develop, they shall be filled in and detours around them avoided.

- C. Maximum grade - 5%.
- D. Turnouts - turnouts will be constructed along the access route as necessary or required to allow for the safe passage of traffic. None anticipated at this time.
- E. Drainage design - the access road will be crowned, ditched, and water turnouts installed as necessary to provide for proper drainage along the access road route.
- F. Culverts, cuts and fills - no culverts will be required. There are no major cuts and/or fills on/along the proposed access road route.
- G. Surface materials - any construction materials which may be required for surfacing of the access road will be purchased from a local contractor having a permitted source of materials in the area, if required by the Authorized Officer, Bureau of Land Management. None anticipated at this time.

2. Planned Access Roads: Continued

- H. Gates, cattleguards or fence cuts - none required.
- I. Road maintenance - during both the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and will be maintained in accordance with the original construction standards. All drainage ditches and culverts will be kept clear and free-flowing, and will also be maintained in accordance with the original construction standards. The access road right-of-way will be kept free of trash during operations.
- J. The proposed access road is flagged.

3. Location of Existing Wells Within a One-Mile Radius:

Please Refer to Map "C"

- A. Water wells - none known.
- B. Abandoned wells - SW $\frac{1}{4}$ NE $\frac{1}{4}$, Section 27, T9S, R22E.
SW $\frac{1}{4}$ NE $\frac{1}{4}$, Section 33, T9S, R22E.
- C. Temporarily abandoned wells - none known.
- D. Disposal wells - none known.
- E. Drilling wells - none known.
- F. Producing wells - SW $\frac{1}{4}$ NE $\frac{1}{4}$, Section 28, T9S, R22E.
NE $\frac{1}{4}$ NW $\frac{1}{4}$, Section 33, T9S, R22E.
SW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 33, T9S, R22E.
NE $\frac{1}{4}$ SE $\frac{1}{4}$, Section 33, T9S, R22E.
SE $\frac{1}{4}$ NW $\frac{1}{4}$, Section 34, T9S, R22E.
NW $\frac{1}{4}$ SW $\frac{1}{4}$, Section 34, T9S, R22E.
SE $\frac{1}{4}$ NE $\frac{1}{4}$, Section 34, T9S, R22E.
- G. Shut-in wells - none known.
- H. Injection wells - none known.
- I. Monitoring wells - none known.

4. Location of Existing and/or Proposed Facilities Owned by Coastal Oil & Gas Corporation Within a One-Mile Radius:

A. Existing

- 1. Tank batteries - NE $\frac{1}{4}$ NW $\frac{1}{4}$, Section 33, T9S, R22E.
SW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 33, T9S, R22E.
NE $\frac{1}{4}$ SE $\frac{1}{4}$, Section 33, T9S, R22E.
SE $\frac{1}{4}$ NW $\frac{1}{4}$, Section 34, T9S, R22E.
NW $\frac{1}{4}$ SW $\frac{1}{4}$, Section 34, T9S, R22E.
SE $\frac{1}{4}$ NE $\frac{1}{4}$, Section 34, T9S, R22E.
- 2. Production facilities - same as Item #4A1, above.
- 3. Oil gathering lines - none.

4. Location of Existing and/or Proposed Facilities Owned by Coastal Oil & Gas Corporation Within a One-Mile Radius:

A. Existing - Continued

4. Gas gathering lines - same as Item #4A1, above.

B. New Facilities Contemplated

1. All production facilities will be located on the disturbed portion of the well pad and at a minimum of twenty-five (25) feet from the toe of the back-slope or toe of the fill slope.
2. The production facilities (consisting primarily of a christmas tree at the well head, dehydration unit, and emergency pit) will require an area approximately 300' X 135'. A diagram showing the proposed production facility layout will be submitted to the Authorized Officer via "Sundry Notice" (Form 3160-5) for approval of subsequent installation operations.
3. Production facilities will be accommodated on the existing well pad. Construction materials required for installation of the production facilities will be obtained from the site; any additional materials required will be purchased from a local supplier having a permitted (private) source of materials within the area.

A dike will be constructed completely around those production facilities which contain fluids (i.e. production tanks, produced water tanks and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.

4. All permanent (on-site for six months or longer) above-the-ground structures constructed or installed including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Five (5) State Rocky Mountain Interagency Committee. All production facilities will be painted within six (6) months of installation.

Facilities required to comply with Occupational Health and Safety Act Rules and Regulations will be excluded from this painting requirement.

4. Location of Existing and/or Proposed Facilities Owned by Coastal Oil & Gas Corporation Within a One-Mile Radius:

B. New Facilities Contemplated - Continued

4. The required paint color is Carlsbad Canyon, Munsell standard color number 2.5Y 6/2.
 5. If at any time the facilities located on public lands and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), the Bureau of Land Management will process a change in authorization to the appropriate statute). The authorization will be subject to the appropriate rental or other financial obligation as determined by the Authorized Officer.
- C. The production (emergency) pit will be fenced with woven wire mesh topped with one (1) strand of barbed wire held in place with metal side posts and wooden corner "H" braces in order to protect livestock and wildlife. Please refer to Item #9E (page #'s 8 & 9) for additional information on the fencing specifications.
- D. During drilling and subsequent operations, all equipment and vehicles will be confined to the access road right-of-way and any additional areas as specified in the approved Application for Permit to Drill.
- E. Reclamation of disturbed areas no longer needed for operations will be accomplished by grading, leveling and seeding as recommended by the Authorized Officer, Bureau of Land Management.

5. Location and Type of Water Supply:

- A. Fresh water for drilling will be obtained from an existing water well and reservoir: Uintah #1, owned by Target Trucking, Inc. and located in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 16, Township 10 South, Range 21 East, Uintah County, Utah; permit #49-991 (A57530).
- B. Water will be transported over existing roads via tank truck from the point of diversion to the proposed NBU #138 well location. No new construction will be required on/along the proposed water haul route. No off-lease/unit Federal lands will be crossed on/along the proposed water haul route.

5. Location and Type of Water Supply:

- C. No water well will be drilled on this location.

6. Source of Construction Materials:

- A. Construction materials needed for surfacing of the well pad will be obtained from a local contractor having a permitted (private) source of materials in the area. Refer to Item #2G (page #2) regarding any construction materials which may be required on the access road.
- B. No construction materials will be taken from Federal and/or Indian lands without prior approval from the appropriate Surface Management Agency.
- C. If production is established, any additional construction materials needed for surfacing the access road and installation of production facilities will be purchased from a local supplier having a permitted (private) source of materials in the area.
- D. No new access roads for construction materials will be required.

7. Methods of Handling Waste Materials:

- A. Cuttings - the cuttings will be deposited in the reserve/blooiie pit.
- B. Drilling fluids - including salts and chemicals will be contained in the reserve/blooiie pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within ninety (90) days after termination of drilling and completion activities.

In the event adverse weather conditions prevent removal of the fluids from the reserve pit within this time period, an extension may be granted by the Authorized Officer upon receipt of a written request from Coastal Oil & Gas Corporation.

The reserve pit will be constructed so as not to leak, break, or allow discharge.

- C. Produced fluids - liquid hydrocarbons produced during completion operations will be placed in test tanks on the location. Produced waste water will be confined to a lined pit (reserve pit) or storage tank for a period not to exceed ninety (90) days after initial production.

7. Methods of Handling Waste Materials: Continued

- C. Produced fluids - during the ninety (90) day period, in accordance with NTL-2B, an application for approval of a permanent disposal method and location, along with the required water analysis, shall be submitted for the Authorized Officer's approval. Failure to file an application within the time frame allowed will be considered an incidence of noncompliance.

Any spills of oil, gas, salt water or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

- D. Sewage - self-contained, chemical toilets will be provided by Rocket Sanitation for human waste disposal. Upon completion of operations, or as needed, the toilet holding tanks will be pumped and the contents thereof disposed of in the nearest, approved, sewage disposal facility.
- E. Garbage and other waste material - garbage, trash and other waste materials will be collected in a portable, self-contained and fully-enclosed trash cage during drilling and completion operations. Upon completion of operations (or as needed) the accumulated trash will be disposed of at an authorized sanitary landfill. No trash will be burned on location or placed in the reserve pit.
- F. Immediately after removal of the drilling rig, all debris and other waste materials not contained in the trash cage will be cleaned up and removed from the well location. No adverse materials will be left on the location upon the termination of drilling and completion operations. Any open pits will be fenced during the drilling operation and the fencing will be maintained until such time as the pits are backfilled.

8. Ancillary Facilities:

None anticipated.

9. Wellsite Layout:

- A. Figure #1 shows the drill site layout as staked. Cross sections have been drafted to visualize the planned cuts and fills across the location.

9. Wellsite Layout: Continued

- A. A minimum of six (6) inches of topsoil will be stripped from the location (including areas of cut, fill, and/or subsoil storage) and stockpiled for future reclamation of the well site. Refer to Figure #1 for the location of the topsoil and subsoil stockpiles.
- B. Figure #1 is a diagram showing the rig layout. No permanent living facilities are planned. There will be one (1) trailer on location during drilling operations for the toolpusher.
- C. A diagram showing the proposed production facility layout will be submitted to the Authorized Officer via Sundry Notice (Form 3160-5) for approval of subsequent operations. Please refer to Item #4B2 (page #4) for additional information in this regard.
- D. If porous subsoil materials (gravel, scoria, sand, faulted rock structures, etc.) are encountered during reserve pit construction, an impervious liner will be installed in order to prevent drilling water loss through seepage. We do not anticipate the need for a pit liner at this time.
- E. Prior to the commencement of drilling operations, the reserve pit will be fenced "sheep tight" on three (3) sides according to the following minimum standards:
 1. 39-inch net wire shall be used with at least one (1) strand of barbed wire on top of the net wire (barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
 2. The net wire shall be no more than two (2) inches above the ground. The barbed wire shall be three (3) inches above the net wire. Total height of the fence shall be at least 42 inches.
 3. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
 4. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two (2) posts shall be no greater than sixteen (16) feet.
 5. All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.

9. Wellsite Layout: Continued

- E. The fourth side of the reserve pit will be fenced immediately upon removal of the drilling rig and the fencing will be maintained until the pit is backfilled.
- F. Any hydrocarbons on the pit will be removed from the pit as soon as possible after drilling operations are completed.

10. Plans for Reclamation of the Surface:

A. Production

1. Immediately upon well completion, the well location and surrounding area(s) will be cleared of all debris, materials, trash and junk not required for production.
2. Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with 43 CFR 3162.7-1.
3. If a plastic or nylon reinforced pit liner is used, it shall be torn and perforated before backfilling of the reserve pit.
4. Before any dirt work to restore the location takes place, the reserve pit will be completely dry and all cans, barrels, pipe, etc. will be removed. Other waste and spoil materials will be disposed of immediately upon completion of drilling and workover activities.
5. The reserve pit and that portion of the location and access road not needed for production facilities/operations will be reclaimed within ninety (90) days from the date of well completion, weather permitting.
6. For production, the fill slopes will be reduced from a 1.5:1 slope to a 3:1 slope and the cut slopes will be reduced from a 1.5:1 slope to a 3:1 slope by pushing the fill material back up into the cut.
7. Upon completion of backfilling, leveling and re-contouring, the stockpiled topsoil will be evenly spread over the reclaimed area(s).

10. Plans for Reclamation of the Surface:

A. Production - Continued

7. Prior to reseeding, all disturbed surfaces (including the access road and location) will be scarified and left with a rough surface. No depressions will be left that would trap water and form ponds. All disturbed surfaces (including the access road and well pad areas) will be reseeded with a seed mixture to be recommended by the Authorized Officer, Bureau of Land Management. Seed will be drilled on the contour to an approximate depth of one-half (1/2) inch. All seeding will be conducted after September 15 and prior to ground frost.

B. Dry Hole/Abandoned Location

1. At such time as the well is physically plugged and abandoned, Coastal Oil & Gas Corporation will submit a "Subsequent Report of Abandonment" to the Authorized Officer for approval. At that time, the Bureau of Land Management will formulate the appropriate surface rehabilitation requirements and attach them as the conditions of approval for final abandonment.

11. Surface Ownership:

The well site and proposed access road are situated on surface estate which is owned by the United States of America and administered by:

Area Manager
Book Cliffs Resource Area Office
Bureau of Land Management
170 South 500 East
Vernal, Utah 84078
Phone: (801) 789-1362

12. Other Information:

- A. General Description of the Project Area: The proposed drill site is located within the Natural Buttes Unit in an area of northeastern Utah and more specifically in an area of moderately to severely eroded uplands located between the White River to the east (and north), the Green River to the west, Bitter Creek to the southeast, and Willow Creek to the southwest.

12. Other Information:

A. General Description of the Project Area: Continued

This area is classified as a "High Plains Steppe" (Cold Desert) and is characterized by gently to moderately undulated uplands dissected by numerous dendritically-patterned, ephemeral drainages of both the Green and White Rivers. Generally, local flora consists of native grasses such as salt grass, galleta grass, needle-and-thread grass, Indian ricegrass; and woody species such as shadscale, horsebrush, black sagebrush, fringe sagebrush, big sagebrush, rabbitbrush, and greasewood along the dry drainages. Local fauna consists of mule deer, antelope, coyotes, rabbits, raptors, and various smaller vertebrate and invertebrate species.

There are no known threatened or endangered species that will be affected by implementation of operations on the proposed NBU #138 well location.

B. Surface Use Activities: The primary surface use is for grazing.

C. Proximity of Water, Occupied Dwellings, Archaeological, Historical or Cultural Sites:

1. The closest source of permanent water is the White River, located approximately 0.5 mile to the north.
2. The closest occupied dwellings are located in the community of Ouray, approximately 15.0 miles to northwest.
3. Coastal Oil & Gas Corporation will be responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites or for collecting artifacts.

If historic or archaeological materials are uncovered, Coastal Oil & Gas Corporation will suspend all operations that might further disturb such materials and immediately contact the Authorized Officer.

12. Other Information:

C. Proximity of Water, Occupied Dwellings, Archaeological, Historical or Cultural Sites: Continued

3. Within five (5) working days the Authorized Officer will inform Coastal Oil & Gas Corporation as to:
 - whether the materials appear eligible for the National Register of Historic Places;
 - the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and
 - a time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

If Coastal Oil & Gas Corporation wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, Coastal Oil & Gas Corporation will be responsible for mitigation costs.

The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that the required mitigation has been completed, Coastal Oil & Gas Corporation will then be allowed to resume construction.

D. Additional Stipulations for Operations on Lands Administered by the Bureau of Land Management:

1. Coastal Oil & Gas Corporation will control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds may be obtained from the Bureau of Land Management, or the Uintah County Extension Office.

12. Other Information:

D. Additional Stipulations for Operations on Lands
Administered by the Bureau of Land Management: Cont.

1. On lands administered by the BLM, it is required that a "Pesticide Use Proposal" shall be submitted, and approval obtained, prior to the application of herbicides or other pesticides or possible hazardous chemicals for the control of noxious weeds.
2. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on federal lands after conclusion of drilling operations or at any other time without the proper authorization from the BLM. However, if BLM authorization is obtained, it is only a temporary measure to allow Coastal Oil & Gas Corporation the time to make arrangements for permanent storage at a commercial facility.
3. Coastal Oil & Gas Corporation shall contact the Bureau of Land Management between 24 and 48 hours prior to commencement of construction activities on the access road and/or well location, phone: (801) 789-1362.
4. The Bureau of Land Management shall be notified upon site completion and prior to moving drilling tools onto the location.
5. Approximately three (3) erosion control structures will be required in drainages as follows: one (1) structure south of the proposed well location, and two (2) structures along the proposed access road route. The actual location of these erosion control structures will be determined by the BLM at the time of access road and well pad construction.

13. Lessee's or Operator's Representative and Certification:

Representative

Coastal Oil & Gas Corporation
Randy L. Bartley, Operations Manager
P.O. Box 749
Denver, Colorado 80201-0749
Phone: (303) 572-1121

Coastal Oil & Gas Corporation
NBU #138
Surface Use & Operations Plan
Page 14

13. Lessee's or Operator's Representative and Certification:

Representative - Continued

Heitzman Drill-Site Services*
Dale Heitzman and/or Robert M. Anderson
P.O. Drawer 3579
Casper, Wyoming 82602
Phone: (307) 266-4840

* Contact for any additional information which may be required for approval of this Application for Permit to Drill.

Certification:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil & Gas Orders, the approved plan of operations, and any applicable Notice to Lessees.

Coastal Oil & Gas Corporation will be fully responsible for the actions of their subcontractors. A complete copy of the approved Application for Permit to Drill will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Coastal Oil & Gas Corporation, its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

15 April 1991
Date

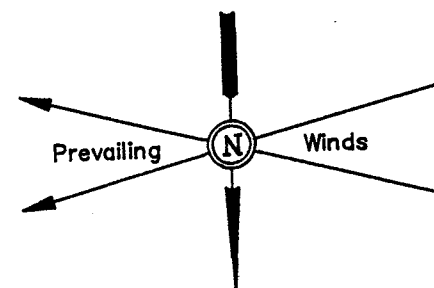

Robert M. Anderson/Authorized Agent

COASTAL OIL & GAS CORP.

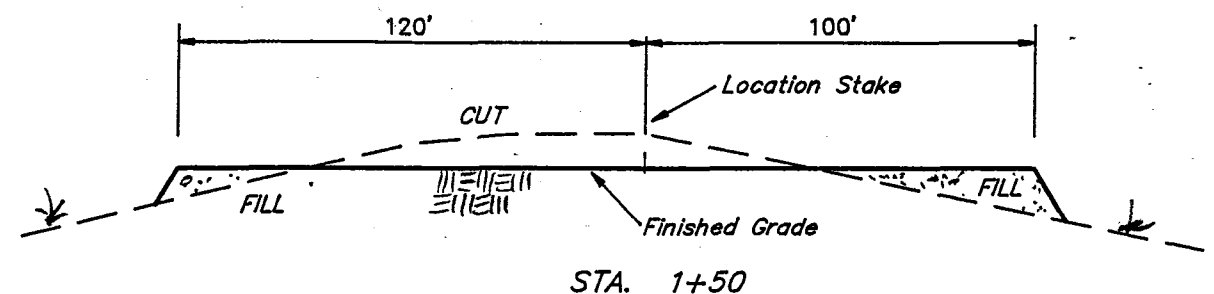
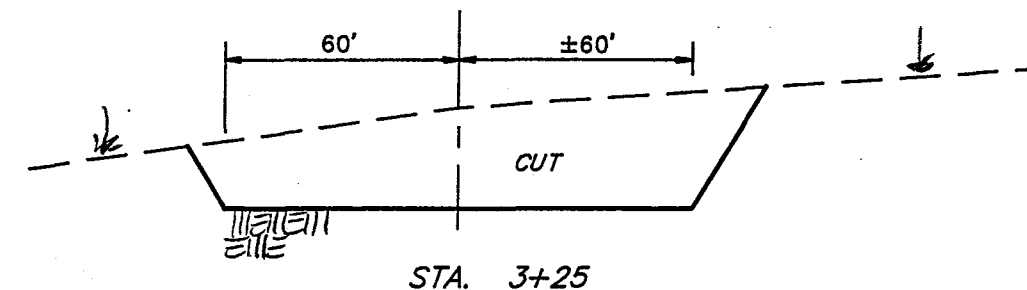
LOCATION LAYOUT FOR

NBU #138

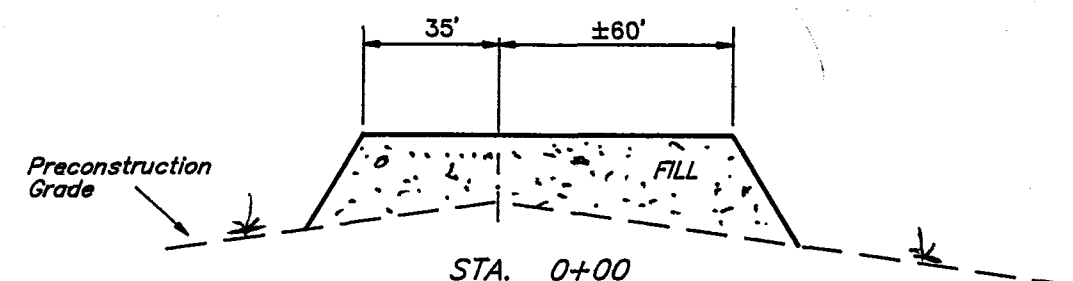
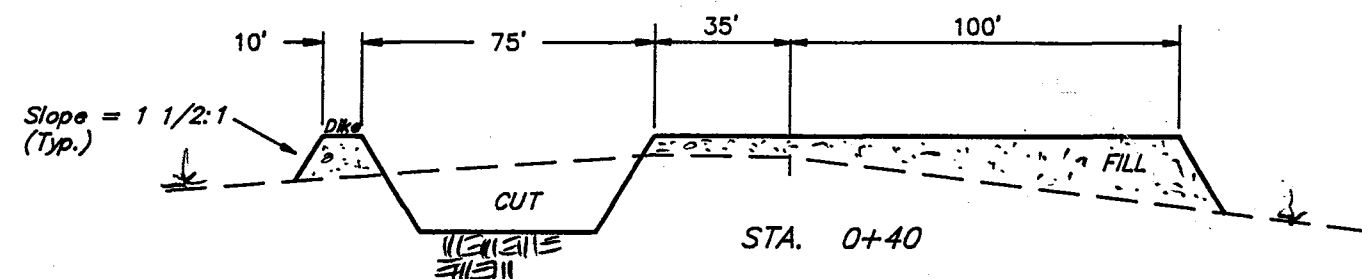
SECTION 33, T9S, R22E, S.L.B.&M.



SCALE: 1" = 50'
DATE: 3-14-91
Drawn By: J.R.S.
REVISED: 4-5-91 T.D.H.



X-Section Scale
1" = 20'
1" = 50'



TYP. LOCATION LAYOUT
TYP. CROSS SECTIONS

NOTES:

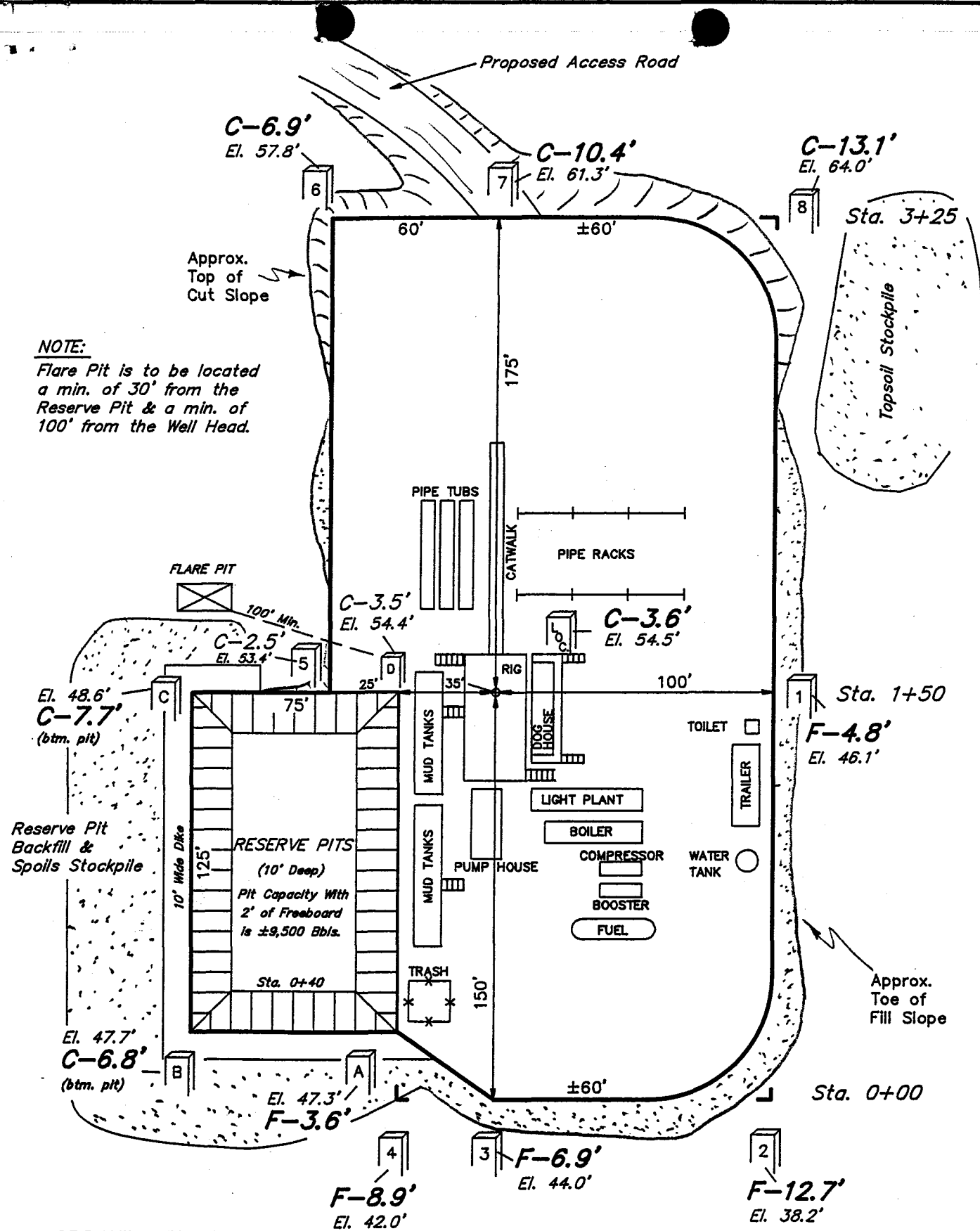
Elev. Ungraded Ground At Loc. Stake = 4954.5'

FINISHED GRADE ELEV. AT LOC. STAKE = 4950.9'

FIGURE #1

UINTAH ENGINEERING & LAND SURVEYING

85 South 200 East Vernal, Utah



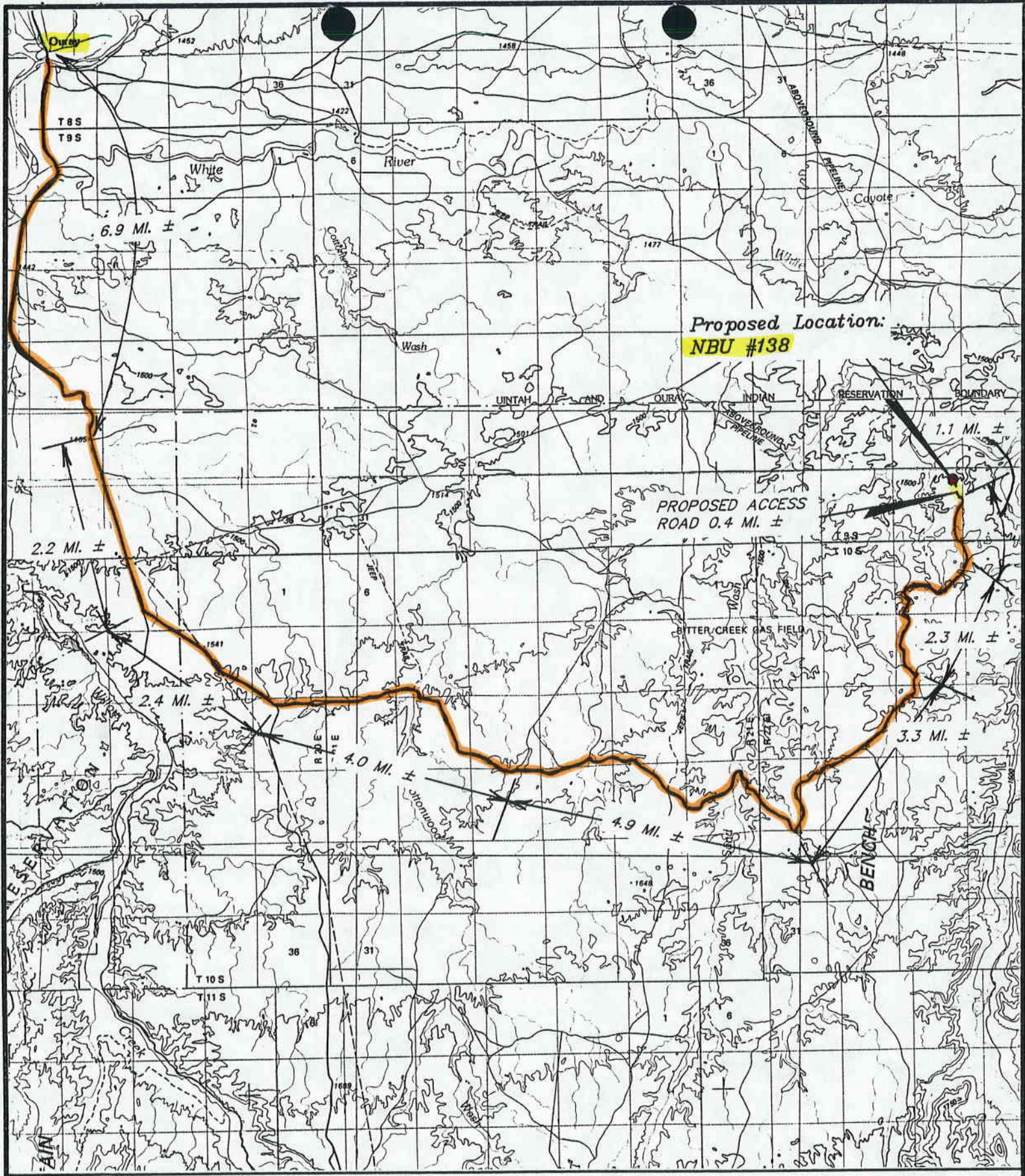
NOTE:

Flare Pit is to be located a min. of 30' from the Reserve Pit & a min. of 100' from the Well Head.

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,070 Cu. Yds.
Remaining Location	= 6,780 Cu. Yds.
TOTAL CUT	= 7,850 CU.YDS.
FILL	= 5,280 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 2,290 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,290 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

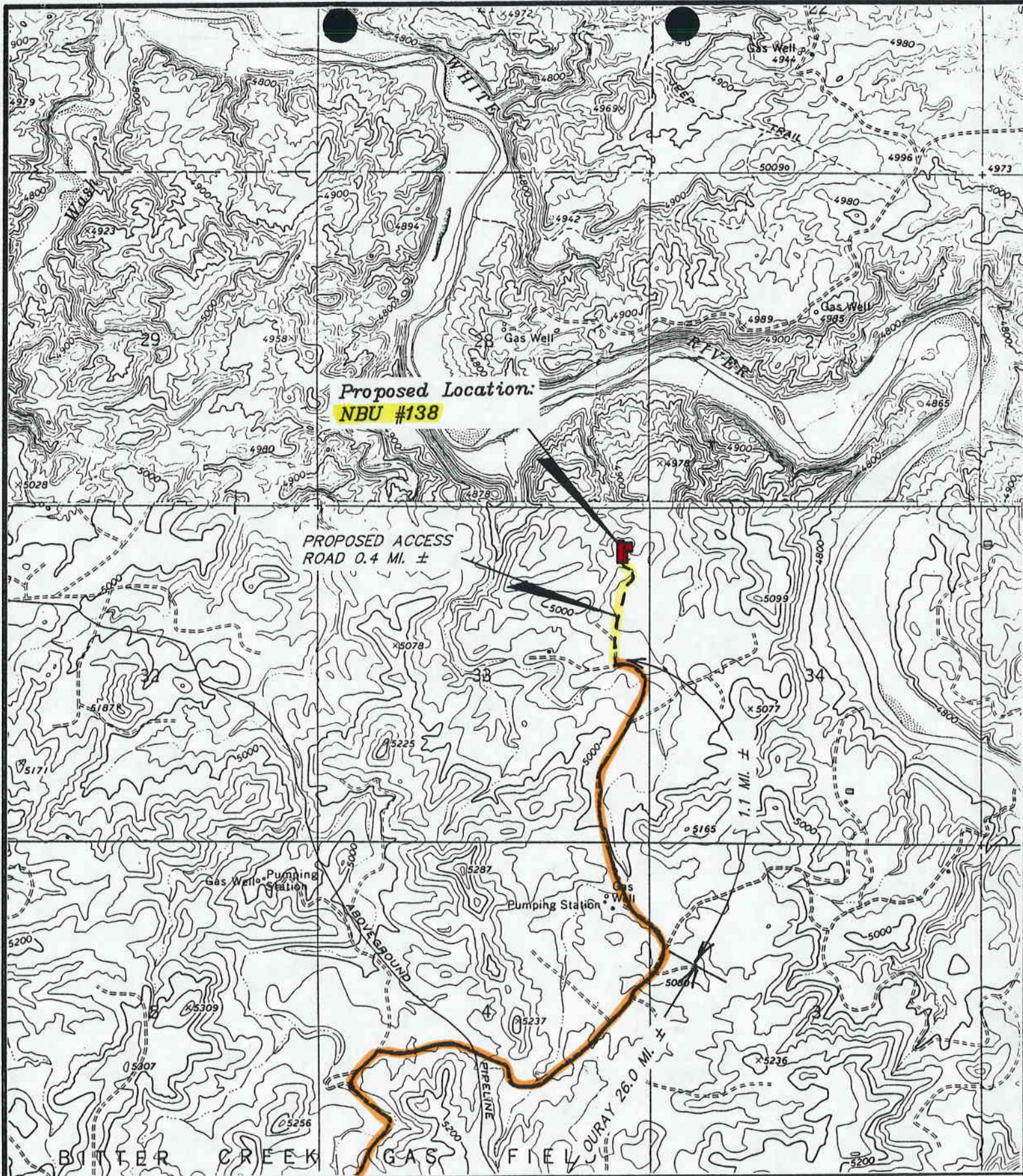


Proposed Location:
NBU #138

TOPOGRAPHIC
MAP "A"
DATE 3-16-91



COASTAL OIL & GAS CORP.
NBU #138
SECTION 33, T9S, R22E, S.L.B.&M.



TOPOGRAPHIC
MAP "B"

SCALE: 1" = 2000'

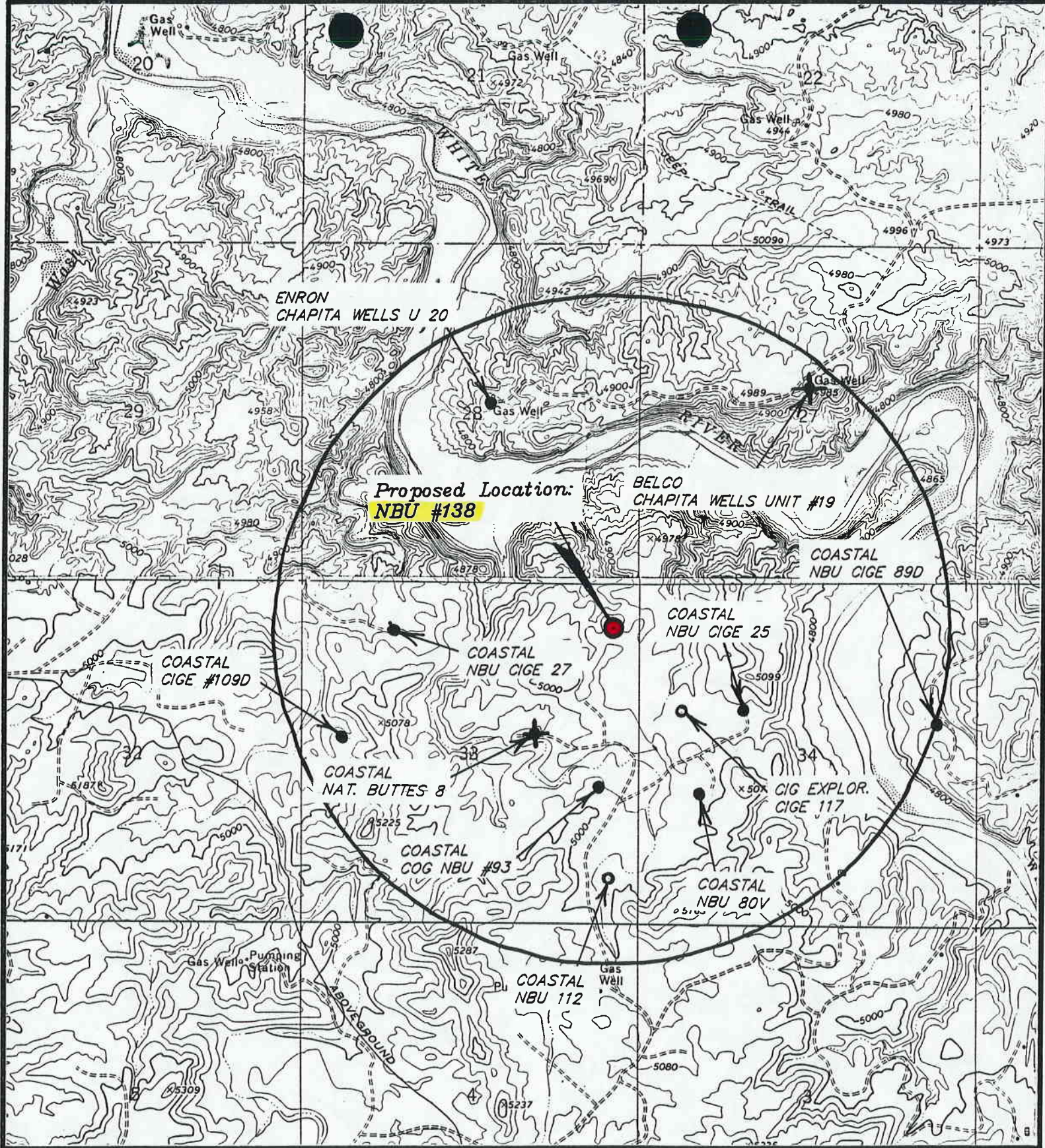
DATE 3-16-91



COASTAL OIL & GAS CORP.

NBU #138

SECTION 33, T9S, R22E, S.L.B.&M.



LEGEND:

- ⊗ = Water Wells
- ◆ = Abandoned Wells
- = Temporarily Abandoned Wells
- ⊘ = Disposal Wells
- = Drilling Wells
- = Producing Wells
- = Shut-in Wells



COASTAL OIL & GAS CORP.

NBU #138
SECTION 33, T9S, R22E, S.L.B.&M.
T O P O M A P " C "

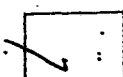
DATE: 3-16-91

OPERATOR Coastal Oil Gas L 0230 DATE 4.20.91
WELL NAME NBU 138
SEC NENE 33 T 45 R WE COUNTY Mintan

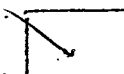
43.047-30010
API NUMBER

Redual (1)
TYPE OF LEASE

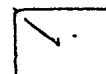
CHECK OFF:



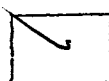
PLAT.



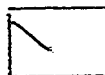
BOND



NEAREST
WELL



LEASE



FIELD
SLBM



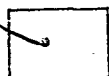
POTASH OR
OIL SHALE

PROCESSING COMMENTS:

Included in 1991 PDD approved 10.20.90,
Water Permit 49.991 (A57530) target ducking
Oil shale area

APPROVAL LETTER:

SPACING:

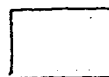


R615-2-3

Natural Buttes
UNIT



R515-3-2



NA
CAUSE NO. & DATE



R615-3-3

STIPULATIONS:

1- Oil shale



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangarter
Governor

Dee C. Hansen
Executive Director

Dianne R. Nielson, Ph.D.
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

April 26, 1991

Coastal Oil & Gas Corporation
P. O. Box 138
Denver, Colorado 80201-0749

Gentlemen:

Re: NBU 138 Well, 682 feet from the North line, 404 feet from the East line, NE NE, Section 33, Township 9 South, Range 22 East, Uintah County, Utah

Approval to drill the referenced well is hereby granted in accordance with Utah Code Ann. Section 40-6-18, et seq. (1953, as amended), and Utah Admin. R.615-2-3, subject to the following stipulations:

1. Special attention is directed to compliance with Utah Admin. R.615-3-34, which prescribes drilling procedures for designated oil shale areas.

In addition, the following actions are necessary to fully comply with this approval:

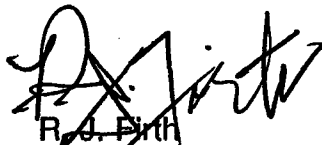
1. Spudding notification within 24 hours after drilling operations commence.
2. Submittal of Entity Action Form 6, within five working days following spudding and whenever a change in operations or interests necessitates an entity status change.
3. Submittal of the Report of Water Encountered During Drilling, Form 7.
4. Prompt notification in the event it is necessary to plug and abandon the well. Notify R. J. Firth, Associate Director, (Office) (801) 538-5340, (Home) 571-6068, or J. L. Thompson, Lead Inspector, (Home) 298-9318.
5. Compliance with the requirements of Utah Admin. R.615-3-20, Gas Flaring or Venting.

Page 2
Coastal Oil & Gas Corporation
NBU 138
April 26, 1991

6. Prior to commencement of the proposed drilling operations, plans for facilities for disposal of sanitary wastes at the drill site shall be submitted to the local health department. These drilling operations and any subsequent well operations must be conducted in accordance with applicable state and local health department regulations. A list of local health departments and copies of applicable regulations are available from the Division of Environmental Health, Bureau of Drinking Water/Sanitation, telephone (801) 538-6159.
7. This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date.

The API number assigned to this well is 43-047-32012.

Sincerely,



R. J. Pirth
Associate Director, Oil & Gas

tas
Enclosures
cc: Bureau of Land Management
J. L. Thompson
we14/1-8

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. UTU-01191A
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME Not Applicable
2. NAME OF OPERATOR Coastal Oil & Gas Corporation		7. UNIT AGREEMENT NAME Natural Buttes
3. ADDRESS OF OPERATOR P. O. Box 749, Denver, Colorado 80201-0749		8. FARM OR LEASE NAME NBU
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 682' FNL, 404' FEL (NE $\frac{1}{4}$ NE $\frac{1}{4}$) Section 33, T9S, R22E At proposed prod. zone Same As Above		9. WELL NO. 138
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approximately Twelve (12) Miles Southeast of Ouray, Utah		10. FIELD AND POOL, OR WILDCAT Natural Buttes
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 404'	16. NO. OF ACRES IN LEASE 1363.21	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Section 33, T9S, R22E
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2100'±	19. PROPOSED DEPTH 6950'	12. COUNTY OR PARISH Uintah
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 4594' GR		13. STATE Utah
22. APPROX. DATE WORK WILL START* May 15, 1991		

23. (ALL NEW) PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8" K-55	24.0#	0- 250'	180 sx Circulated to Surface *
7-7/8"	5-1/2" K-55	17.0#	0-6950'	545 sx Circulated to Surface *

* Cement volumes may change due to hole size.
Calculate from Caliper log.

MAY 13 1991

EIGHT-POINT RESOURCE PROTECTION PLAN ATTACHED.

DIVISION OF
OIL GAS & MINING

I hereby certify that Coastal Oil & Gas Corporation is authorized by the proper Lease Interest Owners to conduct lease operations associated with this Application for Permit to Drill the NBU #138, Federal Lease # UTU-01191A. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Coastal Oil & Gas Corporation, Nationwide Bond # CO-0018, who will be responsible for compliance with all the terms and conditions of that portion of the lease associated with this Application.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Charles E. Mowry TITLE District Drilling Manager DATE 04/10/91
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY [Signature] TITLE ASSISTANT DISTRICT
CONDITIONS OF APPROVAL, IF ANY: MANAGER MINERALS DATE 5/10/91

NOTICE OF APPROVAL

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UTAR-1M112 Div OG+M

Date NOS Received: 3-18-91

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

RECEIVED

MAY 13 1991

DIVISION OF
OIL GAS & MINING

Company/Operator: Coastal Oil & Gas Corp.

Well Name & Number: NBU 138

Lease Number: U-01191A

Location: NENE Sec. 33 T. 9S R. 22E

Surface Ownership: BLM

NOTIFICATION REQUIREMENTS

- Location Construction - at least forty-eight (48) hours prior to construction of location and access roads.
- Location Completion - prior to moving on the drilling rig.
- Spud Notice - at least twenty-four (24) hours prior to spudding the well.
- Casing String and Cementing - at least twenty-four (24) hours prior to running casing and cementing all casing strings.
- BOP and Related Equipment Tests - at least twenty-four (24) hours prior to initiating pressure tests.
- First Production Notice - within five (5) business days after new well begins, or production resumes after well has been off production for more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. DRILLING PROGRAM

1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

Report ALL water shows and water-bearing sands to Tim Ingwell of this office. Copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

3. Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint.

As a minimum, the usable water and oil shale resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the top of the Mahogany oil shale, identified at \pm 1680 ft.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

All Drill Stem tests (DST) shall be accomplished during daylight hours, unless specific approval to start during other hours is obtained from the AO. However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vaporproof for safe operations). Packers can be released, but tripping should not begin before daylight unless prior approval is obtained from the AO.

A cement bond log (CBL) shall be utilized to determine the top of cement (TOC) for the production casing.

6. Notifications of Operations

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to.

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All off-lease storage, off-lease measurement, or commingling onlease or off-lease will have prior written approval from the AO.

Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flowline will be buried or anchored down from the wellhead to the meter and 500 feet downstream of the meter run or any production facilities. Meter runs will be housed and/or fenced.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approvals are necessary, please contact one of the following individuals:

Gerald E. Kenczka	(801) 781-1190
Petroleum Engineer	

Ed Forsman	(801) 789-7077
Petroleum Engineer	

BLM FAX Machine	(801) 789-3634
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EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spend solvents, spilled chemicals, and waste acids

Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste

Refinery wastes

Liquid and solid wastes generated by crude oil and tank bottom reclaimers

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids.

WATER PERMIT OK

DIVISION OF OIL, GAS AND MINING

API NO: 43-047-32012

SPODDING INFORMATION

NAME OF COMPANY: COASTAL OIL & GAS CORPORATION

WELL NAME: NBU 138

SECTION NENE 33 TOWNSHIP 9S RANGE 22E COUNTY UINTAH

DRILLING CONTRACTOR WILL BE COASTAL RIG #2

RIG #

SPODDED: DATE 6-14-91

TIME 10:30

HOW DRY HOLE

DRILLING WILL COMMENCE 7-15-91

REPORTED BY Travis

TELEPHONE # 722-4469

DATE 6-14-91 SIGNED TAS

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
ENTITY ACTION FORM - FORM 6

RECEIVED

JUN 27 1991

OPERATOR Coastal Oil & Gas Corporation
ADDRESS P.O. Box 749, Denver, Colorado

OPERATOR ACCT. NO. N0230

80201-0749

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	DIVISION OF OIL GAS & MINING	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
						QQ	SC	TP	RG	COUNTY		
B	2900		43-047-32012		NBU #138	NENE	33	9S	22E	Uintah	6/14/91	6/14/91
WELL 1 COMMENTS: Federal-Lease Field-Natural Buttes Unit-Natural Buttes Prop. Zone-WSTC (Entity added 6-28-91) <i>lee</i>												
WELL 2 COMMENTS:												
WELL 3 COMMENTS:												
WELL 4 COMMENTS:												
WELL 5 COMMENTS:												

ACTION CODES (See instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

(3/89)

Eileen Dammie Dey
Signature Eileen Dammie Dey

Regulatory Analyst 6/25/91
Title Date

Phone No. (303) 573-4476

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.

SUBMIT IN TRIPLICATE

JUN 27 1991

DIVISION OF
OIL, GAS & MINING

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Coastal Oil & Gas Corporation

3. Address and Telephone No.

P.O. Box 749, Denver, Colorado 80201-0749

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

682' FNL & 404' FEL (NE, NE)
Section 33, T9S-R22E

5. Lease Designation and Serial No.

UTU-01191A

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

Natural Buttes Unit

8. Well Name and No.

NBU #138

9. API Well No.

43-047-32012

10. Field and Pool, or Exploratory Area

Natural Buttes

11. County or Parish, State

Uintah County, Utah

CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Report Of Spud

- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recommendation Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

MIRU Leon Ross Drilling. Spud surface hole @ 11:30 AM, 6-14-91. Drilled 12 1/4" hole to 265' GL. Ran 6 jts. 8-5/8", 24#, K55, ST&C csg & set at 262' GL. Cemented w/150 sx Type V (Prem) + additives. Plugged down @ 6:37 PM, 6/18/91. Cement job witnessed by Wayne Bankert & Manual Myore of the BLM, Vernal, Utah.

14. I hereby certify that the foregoing is true and correct

Signed

Elton Dennis Day

Title

Regulatory Analyst

Date June 25, 1991

(This space for Federal or State office use)

Approved by

Title

Date

Conditions or approval, if any:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Series No. UTU-01191A
2. Name of Operator Coastal Oil & Gas Corporation	6. If Indian, Allottee or Tribe Name N/A
3. Address and Telephone No. P. O. Box 749, Denver, Colorado 80201-0749	7. If Unit or L.A. Agreement Designation Natural Buttes Unit
4. Location of well (Footage, Sec., T., R., M., or survey description) 682' FNL & 404' FEL (NENE) Section 33, T9S-R22E	8. Well Name and No. NBU #138
	9. API Well No. 43-047-32012
	10. Field and Pool, or Exploratory Area Natural Buttes
	11. County or Parish, State Uintah County, Utah

CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recommission
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Report of Operations
- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report returns of measurements on Well Completion or Recommendation Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measures and true vertical depths for all markers and zones pertinent to this work.)

Please see the attached chronological report for the drilling operations on the above-referenced well.

RECEIVED

SEP 26 1991

DIVISION OF
OIL GAS & MINING

14. I hereby certify that the foregoing is true and correct

Signed William D. Smith Title Regulatory Analyst Date 9/23/91

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any: _____

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and unlawfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See instruction on Reverse Side

COASTAL OIL & GAS CORPORATION
CHRONOLOGICAL HISTORY

NBU #138
NATURAL BUTTES UNIT
UINTAH COUNTY, UTAH
WI: 100% COGC AFE: 13104
ATD: 7025' (WASATCH) SD: 9/12/91
CSG: 8-5/8" @ 262' GL
DHC(M\$): 207.2

NE/NE SECTION 33-T9S-R22E

- 6/21/91 265' GL WORT. Spud by L. Ross on 6/14/91 @ 11:30 a.m. Ran 6 jts (262.90') 8-5/8" 24# K-55 ST&C, shoe, 3 centralizers. Howco pumped on 6/18/91: 20 bbls gel wtr, 10 bbls FW, got ret, 31.5 bbl, 150 sx Type V (Prem), 2% CaCl₂, 1/4#/sk Flocele. Displace to 232', shut in. 10 bbls cmt to pit. PD 6:37 p.m., 6/18/91. Wayne Bankert & Manual Moore w/BLM witnessed cmt job. CC: \$10,160.
- 9/12/91 460' Drlg 250'/3.5 hrs. MIRU. NU BOP's. Test BOPE and csg. Hydril & csg to 1500#, OK. BOPE to 2000#, OK. PU BHA. Drlg cmt. Tag @ 227'. Drl'd 23' of cmt. Drlg. Spud @ 2:30 a.m., 9/12/91. Drlg w/air. 1400 CFM. CC: \$43,342.
- 9/13/91 2025' Drlg 1565'/22.5 hrs. Drlg, svys: 1 deg @ 769'; 1-1/2 deg @ 1275'; 1-3/4 deg @ 1857'. encountered wtr @ 1350'. Lost returns completely @ 1670'. Pump away reserve pit. Drlg w/air & no returns. Air mist, 1400 CFM. CC: \$51,662.
- 9/14/91 2650' Drlg 625'/12 hrs. Drlg, TOOH 5 stds, pull string float. Svy: 1-3/4 deg @ 2362'. Drlg, no returns. Pump air pill to regain circ, no success. Drlg, pump air pill, no success. Drlg, no returns. TOOH @ 2581', no obstruction. Oil on pipe from 1600' to bit. TIH to 1162'. Circ @ 1162', TIH, circ @ 1665' w/returns. TIH to 2107', no returns. TOOH 5 stds to 1635', circ, no returns, POH to 1332'. circ & build volume. TIH, drlg, no returns. Air mist/aerated wtr. pH 9.5, 1400 CFM. CC: \$58,564.
- 9/15/91 2874' WOC 224'/4 hrs. Drlg, TOOH to 1255'. Circ & fill reserve pit. TOOH, TIH open-ended to 945'. Circ & spot 100 bbls, 25% LCM pill. Set 132 sx (43 bbl) 13.6 Thixotropic plug (600') w/Howco, TOOH. WOC. TIH open-ended to 945'. Pump 50 bbls, 25% LCM pill. Pump 100 sx (33 bbls) Thixotropic plug, POOH. WOC. TIH open-ended to 945'. Pump 68 sx, 22 bbl plug. TOOH, WOC, TIH to 945' open. Pump 100 sx (33 bbl) Thixotropic. TOOH, WOC. Found cmt on 2nd std out after last plug. Witnessed by Jerry Barnes w/BLM. Drlg w/wtr. CC: \$64,848.
- 9/16/91 2940' TOOH after spotting cmt plug. 66'/2 hrs. WOC, fill hole w/wtr. TIH, tag cmt @ 434'. Drill cmt 434-1288'. Bit plugged, TOOH, cleared before out of hole, TIH. Drlg cmt 1288-1414'. TIH. Drlg 2874-2940' w/air and no returns. Pump 2 air pills, no success. TOOH, TIH open-ended to 1420'. Unload hole, fill reserve pit. WO Howco. Pump 75 sx Thixotropic plug, 25 bbl (13.6 ppg). TOOH, WOC. Attempt to fill hole, no success. TIH to 1420'. Drlg w/wtr. MW 8.4, VIS 27, PH 9.1, CL 14,000, CA 300. CC: \$85,465.
- 9/17/91 2940' TIH to spot plug no. 11. Pump plug #6, 75 sx Thixotropic (25 bbl) 13.6 ppg (300' plug). TOOH, WOC. Pump 200 bbl, no returns. TIH to 1420'. Pump plug #7, 75 sx Thixotropic (25 bbl) 13.6 ppg. TOOH, WOC. Pump 200 bbl wtr, no returns. TIH to 1420'. Pump plug #8, 75 sx Thixotropic (25 bbl) 13.6 ppg. TOOH, WOC. Pump 200 bbl wtr, no returns. TIH to 1420'. Pump plug #9 (150 sx) Thixotropic w/20#/sk Gilsonite, 4#/sk Granulite (66 bbl) 13.2 ppg, 661'. TOOH, WOC. Install reserve pit liner. Pump 200 bbls wtr, no returns. TIH to 1420'. Circ w/air & fill reserve pit. Pump plug #10: 150 sx Thixotropic, 20#/sk Gilsonite, 4#/sk Granulite, 661', 13.2 ppg. TOOH, WOC. Pump 200 bbls wtr, no returns. TIH. CC: \$93,562.
- 9/18/91 2940' WOC plug #14. TIH to 1420', WO Howco. Pump plug #11, 150 sx Thixotropic, 4#/sk Granulite, 20#/sk Gilsonite (52 bbl), 661'. TOOH, WOC, pump 200 bbl wtr, no returns. TIH to 1420'. Pump plug no. 12 (same as #11). TOOH, WOC, pump 35 bbls wtr. Hole stood full. TIH, tag cmt @ 1390', press to 200 psi, no leak-off. TOOH, PU bit & DC's. TIH to 1290', bridge, drill cmt stringers 1290' to 1390'. Firm cmt 1390'-1400', lost returns @ 1400'. Drill cmt stringers to 1475'. TIH to 1744'. TOOH. TIH open-ended to 1420'. Break circ @ 1420' w/air, fill reserve pit. Pump plug no. 13 (same as #11). TOOH, WOC, pump 200 bbls wtr, no returns. TIH, open ended to 1420'. Pump plug #14 (same as #11). TOOH, WOC. CC: \$136,945.

COASTAL OIL & GAS CORPORATION
CHRONOLOGICAL HISTORY

NBU #138
NATURAL BUTTES UNIT
UINTAH COUNTY, UTAH

PAGE 2

9/19/91 2940' RDRT. WOC plug #14. Pump 200 bbls wtr, no returns. TIH to 1798'. Attempt to circ, no returns. TOOH to 1420'. Pump plug #15, 300 sx Prem + AG, 3% CaCl₂, 4#/sk Granulite, .5#/sk Floseal. TOOH. RS, check BOP. WOC, pump 20 bbls wtr, full returns. TIH, tag cmt @ 1293', set 4M# on plug. TOOH to 474'. WOC. TIH, tag cmt @ 1293' w/4M#. TOOH, witnessed by BLM. ND BOP's. TIH w/DC's. RU LD machine. LD DP & DC's. Set Howco cmt retainer @ 252'. LD DP, pump top cmt plug w/60 sx Thixotropic, 4#/sk Granulite, 20#/sk Gilsonite. Cmt in place @ 5:00 a.m. Clean pits. Rig released 6:00 a.m., 9/19/91.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

5. Lease Designation and Serial No.

UTU-01191A

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit of L.A. Agreement Designation

Natural Buttes Unit

8. Well Name and No.

NBU #138

9. API Well No.

43-047-32012

10. Field and Pool, or Exploratory Area

Natural Buttes

11. County or Parish, State

Uintah County, Utah

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

Type of well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Coastal Oil & Gas Corporation

3. Address and Telephone No.

P. O. Box 749 Denver, CO 80201-0749 (303) 573-4476

4. Location of well (Footage, Sec., T., R., M., or Survey Description)

682' FNL & 404' FEL (NE/NE)
Section 33, T9S-R22E

CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☐ Notice of Intent

☒ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☒ Abandonment

☐ Recompletion

☐ Plugging Back

☐ Casing Repair

☐ Altering Casing

☐ Other

☐ Change of Plans

☐ New Construction

☐ Non-Routine Fracturing

☐ Water Shut-Off

☐ Conversion to Injection

☐ Dispose Water

(Note: Report results of abandonment operations on Well Completion or Abandonment Report and Log form.)

13. Describe proposed or completed operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Please see the attached chronological report for the plug & abandonment procedure performed on the above referenced well.

RECEIVED

OCT 21 1991

DIVISION OF
OIL GAS & MINING

14. I hereby certify that the foregoing is true and correct.

Signed

Title

Regulatory Analyst

Date 10/16/91

This space for Federal or State office use

Approved by

Title

Date

Conditions of approval, if any:

COASTAL OIL & GAS CORPORATION
CHRONOLOGICAL HISTORY

NBU #138
NATURAL BUTTES UNIT
UINTAH COUNTY, UTAH
WI: 100% COGC AFE: 13104
ATD: 7025' (WASATCH) SD: 9/12/91
CSG: 8-5/8" @ 262' GL
DHC(MS): 207.2

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COASTAL OIL & GAS CORPORATION
CHRONOLOGICAL HISTORY

NBU #138
NATURAL BUTTES UNIT
UINTAH COUNTY, UTAH

PAGE 2

9/19/91 2940' RDRT. WOC plug #14. Pump 200 bbls wtr, no returns. TIH to 1798'. Attempt to circ, no returns. TOOH to 1420'. Pump plug #15, 300 sx Prem + AG, 3% CaCl₂, 4#/sk Granulite, .5#/sk Floseal. TOOH. RS, check BOP. WOC, pump 20 bbls wtr, full returns. TIH, tag cmt @ 1293', set 4M# on plug. TOOH to 474'. WOC. TIH, tag cmt @ 1293' w/4M#. TOOH, witnessed by BLM. ND BOP's. TIH w/DC's. RU LD machine. LD DP & DC's. Set Howco cmt retainer @ 252'. LD DP, pump top cmt plug w/60 sx Thixotropic, 4#/sk Granulite, 20#/sk Gilsonite. Cmt in place @ 5:00 a.m. Clean pits. Rig released 6:00 a.m., 9/19/91.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE*

(See other instructions on reverse side)

Form approved.
Budget Bureau No. 1004-0137
Expires August 31, 1985

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☒ DRY ☒ Other _____
b. TYPE OF COMPLETION: NEW WELL ☒ WORK OVER ☐ DEEP-EN ☐ PLUG BACK ☐ DIFF. RENVR. ☐ Other _____
2. NAME OF OPERATOR
Coastal Oil & Gas Corporation
3. ADDRESS OF OPERATOR
P. O. Box 749 Denver, CO 80201-0749
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface 682' FNL & 404' FEL (NE/NE)
At top prod. interval reported below Same as above.
At total depth Same as above.

RECEIVED
OCT 21 1991

DIVISION OF
OIL GAS & MINING

14. PERMIT NO. 43-047-32012 4/26/91
15. DATE SPUDDED 6/14/91 16. DATE T.D. REACHED 9/15/91 17. DATE COMPL. (Ready to prod.) P&A'd 9/19/91 18. ELEVATIONS (OF RKB, RT, GR, ETC.)* 4954.5 Ungr. Gr. 19. ELEV. CASINGHEAD
20. TOTAL DEPTH, MD & TVD 2940' 21. PLUG, BACK T.D., MD & TVD 22. IF MULTIPLE COMPL., HOW MANY* 23. INTERVALS DRILLED BY SFC-TD 24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* 25. WAS DIRECTIONAL SURVEY MADE No
26. TYPE ELECTRIC AND OTHER LOGS RUN None 27. WAS WELL CORED No

CASING RECORD (Report all strings set in well)					
CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8-5/8"	24#	262' GL	12-1/4"	150 sx Type V + Add.	None

LINER RECORD					TUBING RECORD		
SIZE	TOP (MD)	BOTTOM (MD)	BACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)

31. PERFORATION RECORD (Interval, size and number)
32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.
DEPTH INTERVAL (MD) AMOUNT AND KIND OF MATERIAL USED
See chrono for cement plugs.

33.* PRODUCTION
DATE FIRST PRODUCTION PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) P&A'd WELL STATUS (Producing or shut-in) P&A'd
DATE OF TEST HOURS TESTED CHOKE SIZE PROD'N. FOR TEST PERIOD OIL—BBL. GAS—MCF. WATER—BBL. GAS-OIL RATIO
FLOW. TUBING PRES. CASING PRESSURE CALCULATED 24-HOUR RATE OIL—BBL. GAS—MCF. WATER—BBL. OIL GRAVITY-API (CORR.)
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) TEST WITNESSED BY

35. LIST OF ATTACHMENTS
Chronological report.
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records
SIGNED Eileen Danni Day TITLE Regulatory Analyst DATE 10/16/91

*(See Instructions and Spaces for Additional Data on Reverse Side)

COASTAL OIL & GAS CORPORATION
CHRONOLOGICAL HISTORY

NBU #138
NATURAL BUTTES UNIT
UINTAH COUNTY, UTAH
WI: 100% COGC AFE: 13104
ATD: 7025' (WASATCH) SD: 9/12/91
CSG: 8-5/8" @ 262' GL
DHC(M\$): 207.2

NE/NE SECTION 33-T9S-R22E

- 6/21/91 265' GL WORT. Spud by L. Ross on 6/14/91 @ 11:30 a.m. Ran 6 jts (262.90') 8-5/8" 24# K-55 ST&C, shoe, 3 centralizers. Howco pumped on 6/18/91: 20 bbls gel wtr, 10 bbls FW, got ret, 31.5 bbl, 150 sx Type V (Prem), 2% CaCl₂, 1/4#/sk Flocele. Displace to 232', shut in. 10 bbls cmt to pit. PD 6:37 p.m., 6/18/91. Wayne Bankert & Manual Moore w/BLM witnessed cmt job. CC: \$10,160.
- 9/12/91 460' Drlg 250'/3.5 hrs. MIRU. NU BOP's. Test BOPE and csg. Hydril & csg to 1500#, OK. BOPE to 2000#, OK. PU BHA. Drlg cmt. Tag @ 227'. Drld 23' of cmt. Drlg. Spud @ 2:30 a.m., 9/12/91. Drlg w/air. 1400 CFM. CC: \$43,342.
- 9/13/91 2025' Drlg 1565'/22.5 hrs. Drlg, svys: 1 deg @ 769'; 1-1/2 deg @ 1275'; 1-3/4 deg @ 1857'. encountered wtr @ 1350'. Lost returns completely @ 1670'. Pump away reserve pit. Drlg w/air & no returns. Air mist, 1400 CFM. CC: \$51,662.
- 9/14/91 2650' Drlg 625'/12 hrs. Drlg, TOOH 5 stds, pull string float. Svy: 1-3/4 deg @ 2362'. Drlg, no returns. Pump air pill to regain circ, no success. Drlg, pump air pill, no success. Drlg, no returns. TOOH @ 2581', no obstruction. Oil on pipe from 1600' to bit. TIH to 1162'. Circ @ 1162', TIH, circ @ 1665' w/returns. TIH to 2107', no returns. TOOH 5 stds to 1635', circ, no returns, POH to 1332'. circ & build volume. TIH, drlg, no returns. Air mist/aerated wtr. pH 9.5, 1400 CFM. CC: \$58,564.
- 9/15/91 2874' WOC 224'/4 hrs. Drlg, TOOH to 1255'. Circ & fill reserve pit. TOOH, TIH open-ended to 945'. Circ & spot 100 bbls, 25% LCM pill. Set 132 sx (43 bbl) 13.6 Thixotropic plug (600') w/Howco, TOOH. WOC. TIH open-ended to 945'. Pump 50 bbls, 25% LCM pill. Pump 100 sx (33 bbls) Thixotropic plug, POOH. WOC. TIH open-ended to 945'. Pump 68 sx, 22 bbl plug. TOOH, WOC, TIH to 945' open. Pump 100 sx (33 bbl) Thixotropic. TOOH, WOC. Found cmt on 2nd std out after last plug. Witnessed by Jerry Barnes w/BLM. Drlg w/wtr. CC: \$64,848.
- 9/16/91 2940' TOOH after spotting cmt plug. 66'/2 hrs. WOC, fill hole w/wtr. TIH, tag cmt @ 434'. Drill cmt 434-1288'. Bit plugged, TOOH, cleared before out of hole, TIH. Drlg cmt 1288-1414'. TIH. Drlg 2874-2940' w/air and no returns. Pump 2 air pills, no success. TOOH, TIH open-ended to 1420'. Unload hole, fill reserve pit. WO Howco. Pump 75 sx Thixotropic plug, 25 bbl (13.6 ppg). TOOH, WOC. Attempt to fill hole, no success. TIH to 1420'. Drlg w/wtr. MW 8.4, VIS 27, PH 9.1, CL 14,000, CA 300. CC: \$85,465.
- 9/17/91 2940' TIH to spot plug no. 11. Pump plug #6, 75 sx Thixotropic (25 bbl) 13.6 ppg (300' plug). TOOH, WOC. Pump 200 bbl, no returns. TIH to 1420'. Pump plug #7, 75 sx Thixotropic (25 bbl) 13.6 ppg. TOOH, WOC. Pump 200 bbl wtr, no returns. TIH to 1420'. Pump plug #8, 75 sx Thixotropic (25 bbl) 13.6 ppg. TOOH, WOC. Pump 200 bbl wtr, no returns. TIH to 1420'. Pump plug #9 (150 sx) Thixotropic w/20#/sk Gilsonite, 4#/sk Granulite (66 bbl) 13.2 ppg, 661'. TOOH, WOC. Install reserve pit liner. Pump 200 bbls wtr, no returns. TIH to 1420'. Circ w/air & fill reserve pit. Pump plug #10: 150 sx Thixotropic, 20#/sk Gilsonite, 4#/sk Granulite, 661', 13.2 ppg. TOOH, WOC. Pump 200 bbls wtr, no returns. TIH. CC: \$93,562.
- 9/18/91 2940' WOC plug #14. TIH to 1420', WO Howco. Pump plug #11, 150 sx Thixotropic, 4#/sk Granulite, 20#/sk Gilsonite (52 bbl), 661'. TOOH, WOC, pump 200 bbl wtr, no returns. TIH to 1420'. Pump plug no. 12 (same as #11). TOOH, WOC, pump 35 bbls wtr. Hole stood full. TIH, tag cmt @ 1390', press to 200 psi, no leak-off. TOOH, PU bit & DC's. TIH to 1290', bridge, drill cmt stringers 1290' to 1390'. Firm cmt 1390'-1400', lost returns @ 1400'. Drill cmt stringers to 1475'. TIH to 1744'. TOOH. TIH open-ended to 1420'. Break circ @ 1420' w/air, fill reserve pit. Pump plug no. 13 (same as #11). TOOH, WOC, pump 200 bbls wtr, no returns. TIH, open ended to 1420'. Pump plug #14 (same as #11). TOOH, WOC. CC: \$136,945.

COASTAL OIL & GAS CORPORATION
CHRONOLOGICAL HISTORY

NBU #138
NATURAL BUTTES UNIT
UINTAH COUNTY, UTAH

PAGE 2

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE*

(See other instructions on reverse side)

Form approved.
Budget Bureau No. 1004-0137
Expires August 31, 1985

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☒ DRY ☒ Other _____

b. TYPE OF COMPLETION:

NEW WELL ☒ WORK OVER ☐ DEEP-EN ☐ PLUG BACK ☐ DIFF. REMV. ☐ Other _____

2. NAME OF OPERATOR

Coastal Oil & Gas Corporation

3. ADDRESS OF OPERATOR

P. O. Box 749 Denver, CO 80201-0749

4. LOCATION OF WELL (Report location clearly and in accordance with any special requirements)*

At surface 682' FNL & 404' FEL (NE/NE)

At top prod. interval reported below Same as above.

At total depth Same as above.

14. PERMIT NO.

43-047-32012

DIVISION OF

OIL GAS & MINING

DATE ISSUED 4/26/91

15. DATE SPUDDED

6/14/91

16. DATE T.D. REACHED

9/15/91

17. DATE COMPL. (Ready to prod.)

P&A'd 9/19/91

18. ELEVATIONS (OF RKB, RT, GR, ETC.)*

4954.5 Ungr. Gr.

19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD

2940'

21. PLUG. BACK T.D., MD & TVD

22. IF MULTIPLE COMPL., HOW MANY*

23. INTERVALS DRILLED BY

ROTARY TOOLS

CABLE TOOLS

SFC-TD

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*

25. WAS DIRECTIONAL SURVEY MADE

No

26. TYPE ELECTRIC AND OTHER LOGS RUN

None

27. WAS WELL CORED

No

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8-5/8"	24#	262' GL	12-1/4"	150 sx Type V + Add.	None

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)

31. PERFORATION RECORD (Interval, size and number)

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
See chrono for cement plugs.	

33.* PRODUCTION

DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)				WELL STATUS (Producing or shut-in)	
		P&A'd				P&A'd	
DATE OF TEST	HOURS TESTED	CHOKER SIZE	PROD'N. FOR TEST PERIOD	OIL—BSL.	GAS—MCF.	WATER—BSL.	GAS-OIL RATIO
			→				
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BSL.	GAS—MCF.	WATER—BSL.	OIL GRAVITY-API (CORR.)	
		→					

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

TEST WITNESSED BY

35. LIST OF ATTACHMENTS

Chronological report.

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED

Eileen Danni Day

TITLE

Regulatory Analyst

DATE

10/16/91

*(See Instructions and Spaces for Additional Data on Reverse Side)

COASTAL OIL & GAS CORPORATION
CHRONOLOGICAL HISTORY

NBU #138
NATURAL BUTTES UNIT
UINTAH COUNTY, UTAH
WI: 100% COGC AFE: 13104
ATD: 7025' (WASATCH) SD: 9/12/91
CSG: 8-5/8" @ 262' GL
DHC(MS): 207.2

NE/NE SECTION 33-T9S-R22E

- 6/21/91 265' GL WORT. Spud by L. Ross on 6/14/91 @ 11:30 a.m. Ran 6 jts (262.90') 8-5/8" 24# K-55 ST&C, shoe, 3 centralizers. Howco pumped on 6/18/91: 20 bbls gel wtr, 10 bbls FW, got ret, 31.5 bbl, 150 sx Type V (Prem), 2% CaCl₂, 1/4#/sk Flocele. Displace to 232', shut in. 10 bbls cmt to pit. PD 6:37 p.m., 6/18/91. Wayne Bankert & Manual Moore w/BLM witnessed cmt job. CC: \$10,160.
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COASTAL OIL & GAS CORPORATION
CHRONOLOGICAL HISTORY

NBU #138
NATURAL BUTTES UNIT
UINTAH COUNTY, UTAH

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.

SUBMIT IN TRIPLICATE

RECEIVED
NOV 21 1991

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Coastal Oil & Gas Corporation

3. Address and Telephone No.

P. O. Box 749 Denver, CO 80201-0749 (303) 573-4476

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

682' FNL & 404' FEL (NE/NE)
Section 33, T9S-R22E

5. Lease Designation and Serial No.

UTU-01191A

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

Natural Buttes Unit

8. Well Name and No.

NBU #138

9. API Well No.

43-047-32012

10. Field and Pool, or Exploratory Area

Natural Buttes

11. County or Parish, State

Uintah County, Utah

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Report of Leak
NTL-3A

- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

The above referenced well was found to be leaking produced water from the wellbore on 9/14/91 and was reported to the BLM, Vernal District Office on the same day. See the attached chronological history for the plugs set in the wellbore to prevent further leakage. Jerry Barnes, BLM, witnessed the operations on 9/14/91. A liner was installed in the reserve pit. Mr. Barnes took samples of the leaking water since the water was leaking down the draw to the White River. The water was leaking at approximately 3 bbls per 24 hours. Total quantity of produced water leaked is not known. George Diwachak with Utah State was notified of this event by Eileen Dey, Coastal, on 9/18/91, as well as the National Spill Response Hotline. The National Spill Response contact did not take the report since oil was not involved.

14. I hereby certify that the foregoing is true and correct

Signed

Eileen Dey
Regulatory Analyst

Date 11/19/91

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See instruction on Reverse Side

COASTAL OIL & GAS CORPORATION
CHRONOLOGICAL HISTORY

NBU #138

NE/NE SECTION 33-T9S-R22E

NATURAL BUTTES UNIT

UINTAH COUNTY, UTAH

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- 9/13/91 2025' Drlg 1565'/22.5 hrs. Drlg, svys: 1 deg @ 769'; 1-1/2 deg @ 1275'; 1-3/4 deg @ 1857'. encountered wtr @ 1350'. Lost returns completely @ 1670'. Pump away reserve pit. Drlg w/air & no returns. Air mist, 1400 CFM. CC: \$51,662.
- 9/14/91 2650' Drlg 625'/12 hrs. Drlg, TOOH 5 stds, pull string float. Svy: 1-3/4 deg @ 2362'. Drlg, no returns. Pump air pill to regain circ, no success. Drlg, pump air pill, no success. Drlg, no returns. TOOH @ 2581', no obstruction. Oil on pipe from 1600' to bit. TIH to 1162'. Circ @ 1162', TIH, circ @ 1665' w/returns. TIH to 2107', no returns. TOOH 5 stds to 1635', circ, no returns, POH to 1332'. circ & build volume. TIH, drlg, no returns. Air mist/aerated wtr. pH 9.5, 1400 CFM. CC: \$58,564.
- 9/15/91 2874' WOC 224'/4 hrs. Drlg, TOOH to 1255'. Circ & fill reserve pit. TOOH, TIH open-ended to 945'. Circ & spot 100 bbls, 25% LCM pill. Set 132 sx (43 bbl) 13.6 Thixotropic plug (600') w/Howco, TOOH. WOC. TIH open-ended to 945'. Pump 50 bbls, 25% LCM pill. Pump 100 sx (33 bbls) Thixotropic plug, POOH. WOC. TIH open-ended to 945'. Pump 68 sx, 22 bbl plug. TOOH, WOC, TIH to 945' open. Pump 100 sx (33 bbl) Thixotropic. TOOH, WOC. Found cmt on 2nd std out after last plug. Witnessed by Jerry Barnes w/BLM. Drlg w/wtr. CC: \$64,848.
- 9/16/91 2940' TOOH after spotting cmt plug. 66'/2 hrs. WOC, fill hole w/wtr. TIH, tag cmt @ 434'. Drill cmt 434-1288'. Bit plugged, TOOH, cleared before out of hole, TIH. Drlg cmt 1288-1414'. TIH. Drlg 2874-2940' w/air and no returns. Pump 2 air pills, no success. TOOH, TIH open-ended to 1420'. Unload hole, fill reserve pit. WO Howco. Pump 75 sx Thixotropic plug, 25 bbl (13.6 ppg). TOOH, WOC. Attempt to fill hole, no success. TIH to 1420'. Drlg w/wtr. MW 8.4, VIS 27, PH 9.1, CL 14,000, CA 300. CC: \$85,465.
- 9/17/91 2940' TIH to spot plug no. 11. Pump plug #6, 75 sx Thixotropic (25 bbl) 13.6 ppg (300' plug). TOOH, WOC. Pump 200 bbl, no returns. TIH to 1420'. Pump plug #7, 75 sx Thixotropic (25 bbl) 13.6 ppg. TOOH, WOC. Pump 200 bbl wtr, no returns. TIH to 1420'. Pump plug #8, 75 sx Thixotropic (25 bbl) 13.6 ppg. TOOH, WOC. Pump 200 bbl wtr, no returns. TIH to 1420'. Pump plug #9 (150 sx) Thixotropic w/20#/sk Gilsonite, 4#/sk Granulite (66 bbl) 13.2 ppg, 661'. TOOH, WOC. Install reserve pit liner. Pump 200 bbls wtr, no returns. TIH to 1420'. Circ w/air & fill reserve pit. Pump plug #10: 150 sx Thixotropic, 20#/sk Gilsonite, 4#/sk Granulite, 661', 13.2 ppg. TOOH, WOC. Pump 200 bbls wtr, no returns. TIH. CC: \$93,562.
- 9/18/91 2940' WOC plug #14. TIH to 1420', WO Howco. Pump plug #11, 150 sx Thixotropic, 4#/sk Granulite, 20#/sk Gilsonite (52 bbl), 661'. TOOH, WOC, pump 200 bbl wtr, no returns. TIH to 1420'. Pump plug no. 12 (same as #11). TOOH, WOC, pump 35 bbls wtr. Hole stood full. TIH, tag cmt @ 1390', press to 200 psi, no leak-off. TOOH, PU bit & DC's. TIH to 1290', bridge, drill cmt stringers 1290' to 1390'. Firm cmt 1390'-1400', lost returns @ 1400'. Drill cmt stringers to 1475'. TIH to 1744'. TOOH. TIH open-ended to 1420'. Break circ @ 1420' w/air, fill reserve pit. Pump plug no. 13 (same as #11). TOOH, WOC, pump 200 bbls wtr, no returns. TIH, open ended to 1420'. Pump plug #14 (same as #11). TOOH, WOC. CC: \$136,945.

COASTAL OIL & GAS CORPORATION
CHRONOLOGICAL HISTORY

NBU #138
NATURAL BUTTES UNIT
UINTAH COUNTY, UTAH

PAGE 2

9/19/91 2940' RDRT. WOC plug #14. Pump 200 bbls wtr, no returns. TIH to 1798'. Attempt to circ, no returns. TOOH to 1420'. Pump plug #15, 300 sx Prem + AG, 3% CaCl₂, 4#/sk Granulite, .5#/sk Floseal. TOOH. RS, check BOP. WOC, pump 20 bbls wtr, full returns. TIH, tag cmt @ 1293', set 4M# on plug. TOOH to 474'. WOC. TIH, tag cmt @ 1293' w/4M#. TOOH, witnessed by BLM. ND BOP's. TIH w/DC's. RU LD machine. LD DP & DC's. Set Howco cmt retainer @ 252'. LD DP, pump top cmt plug w/60 sx Thixotropic, 4#/sk Granulite, 20#/sk Gilsonite. Cmt in place @ 5:00 a.m. Clean pits. Rig released 6:00 a.m., 9/19/91.

JAN. 17. 2003 3:34PM

TPORT

NO. 173 P. 2

**WESTPORT OIL AND GAS COMPANY, L.P.**

410 Seventeenth Street #2300 Denver Colorado 80202-4436
Telephone: 303 573 5404 Fax: 303 573 5609

February 1, 2002

Department of the Interior
Bureau of Land Management
2850 Youngfield Street
Lakewood, CO 80215-7093
Attention: Ms. Martha Maxwell

RE: BLM Bond CO-1203
BLM Nationwide Bond 158626364
Surety - Continental Casualty Company
Belco Energy Corporation merger into Westport Oil and Gas Company, Inc.
Conversion of Westport Oil and Gas Company, Inc., into Westport Oil and Gas Company, L.P.
Assumption Rider - Westport Oil and Gas Company, L.P.

Dear Ms. Maxwell:

Pursuant to our recent conversations, please find the following list of enclosures for the BLM's consideration and approval:

Two (2) Assumption Riders, fully executed originals.
Copies of Belco Energy Corporation merger into Westport Oil and Gas Company, Inc.
Copies of Westport Oil and Gas Company, Inc., conversion into Westport Oil and Gas Company, L.P.
List of all Federal/BIA/State Leases - Belco/Westport's leases - in all states.

Please inform us of any additional information needed to complete the change to Westport Oil and Gas Company, L.P., as operator of record.

I thank you for your assistance and cooperation in this matter. Please do not hesitate contacting the undersigned, should a question arise.

Sincerely,
Westport Oil and Gas Company, L.P.

Debby J. Black
Engineer Technician

Encl:



United States Department of the Interior **RECEIVED**

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

FEB 22 2002

DIVISION OF
OIL, GAS AND MINING

In Reply Refer To:
3106
UTU-25566 et al
(UT-924)

FEB 21 2002

NOTICE

Westport Oil and Gas Company L.P. : Oil and Gas
410 Seventeenth Street, #2300 :
Denver Colorado 80215-7093 :

Name Change Recognized

Acceptable evidence has been received in this office concerning the name change of Westport Oil and Gas Company, Inc. into Westport Oil and Gas Company, L.P. with Westport Oil and Gas Company, L.P. being the surviving entity.

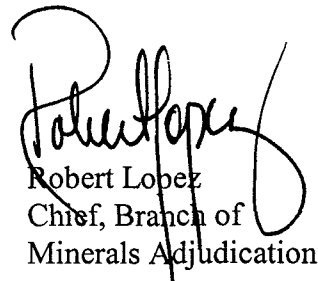
For our purposes, the name change is recognized effective December 31, 2001.

The oil and gas lease files identified have been noted as to the name change. The exhibit was compiled from a list of leases obtained from our computer program. We have not abstracted the lease files to determine if the entities affected by this name change hold an interest in the leases identified nor have we attempted to identify leases where the entities are the operator on the ground maintaining no vested recorded title or operating rights interests. We will be notifying the Minerals Management Service and all applicable Bureau of Land Management offices of the change by a copy of this notice. If additional documentation for changes of operator are required by our Field Offices, you will be contacted by them.

If you identify additional leases in which the entities maintain an interest, please contact this office and we will appropriately document those files with a copy of this Notice.

Due to the name change, the name of the principal/obligor on the bond is required to be changed from Westport Oil and Gas Company, Inc. to Westport Oil and Gas Company, L.P.. You may accomplish this either by consent of surety rider on the original bond or a rider to the original bond. The bonds are held in Colorado.

UTU-03405
UTU-20895
UTU-25566
UTU-43156
UTU-49518
UTU-49519
UTU-49522
UTU-49523



Robert Lopez
Chief, Branch of
Minerals Adjudication

cc: Moab Field Office
Vernal Field Office
MMS, Reference Data Branch, MS3130, PO Box 5860, Denver CO 80217
State of Utah, DOGM, Attn: Jim Thompson (Ste. 1210), Box 145801, SLC UT 84114
Teresa Thompson (UT-922)
Joe Incardine (UT-921)

memorandum

Branch of Real Estate Services
Uintah & Ouray Agency

Date: 5 December, 2002

Reply to:
Attn of: Supervisory Petroleum Engineer

Subject: Modification of Utah Division of Oil, Gas and Mining Regulations

To: Director, Utah Division of Oil, Gas and Mining Division: John Baza

We have been advised of changes occurring with the operation of your database for Change of Operator. You will be modifying your records to reflect Change of Operator once you have received all necessary documentation from the companies involved, and perhaps in advance of our Notice of Concurrence/Approval of Change of Operator where Indian leases are involved.

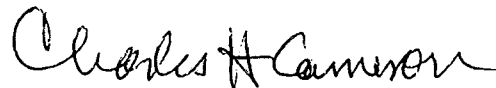
We have no objection.

With further comment to Rulemaking, I wish to comment concerning the provision of Exhibits for upcoming Hearings. I would like to see the Uintah & Ouray Agency, BIA, and the Ute Indian Tribe, Energy & Mineral Resources Department added to the list of those parties that receive advance Exhibits so as to allow us to have research time prior to Hearing dates. We will be able to provide a more informed recommendation to the Oil, Gas and Mining Board. It would be best if we would receive only those Exhibits that concern Indian lands, specifically on or adjacent to Indian lands. This may be a difficult situation to attain, as it is not always clear where 'on or adjacent' occurs.

I am aware that you have gone to extra effort to correct this matter already, and I fully appreciate it. My request is intended only to allow the addition of Uintah & Ouray Agency and Ute Indian Tribe to the official listing.

We appreciate your concern, and hope that these comments are timely enough for consideration in the revision process.

CC: Minerals & Mining Section of RES
Ute Energy & Mineral Resources Department: Executive Director
chrono





United States Department of the Interior

BUREAU OF INDIAN AFFAIRS

Washington, D.C. 20240

FEB 10 2003

IN REPLY REFER TO:
Real Estate Services

Carroll A. Wilson
Principal Landman
Westport Oil and Gas Company, L.P.
1368 South 1200 East
Vernal, Utah 84078

Dear Mr. Wilson:

This is in response to your request for approval of RLI Insurance Company's Nationwide Oil and Gas Lease Bond No. RLB0005239 executed effective December 17, 2002, (\$150,000 coverage) with Westport Oil and Gas Company, L. P., as principal.

This bond is hereby approved as of the date of this correspondence and will be retained in the Bureau of Indian Affairs' Division of Real Estate Services, 1849 C Street, NW, MS-4512-MIB, Washington, D.C. 20240. All Bureau oil and gas regional offices and the surety are being informed of this action.

In cases where you have existing individual and/or collective bonds on file with one or more of our regional offices, you may now request those offices, directly, to terminate in lieu of coverage under this Nationwide Bond.

Enclosed is a copy of the approved bond for your files. If we may be of further assistance in this matter, please advise.

Sincerely,

Director, Office of Trust Responsibilities

ACTING

Enclosure

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:

Exhibit "A"

9. API NUMBER:

10. FIELD AND POOL, OR WILDCAT:

1. TYPE OF WELL

OIL WELL ☐

GAS WELL ☐

OTHER

2. NAME OF OPERATOR:

El Paso Production Oil & Gas Company

3. ADDRESS OF OPERATOR:

9 Greenway Plaza

Houston

STATE TX

ZIP 77064-0995

PHONE NUMBER:

(832) 676-5933

4. LOCATION OF WELL

FOOTAGES AT SURFACE:

COUNTY:

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Operator change to Westport Oil and Gas Company, L.P., 1670 Broadway, Suite 2800, Denver, CO. 80202-4800, effective December 17, 2002.

BOND # _____

State Surety Bond No. RLB0005236
Fee Bond No. RLB0005238

EL PASO PRODUCTION OIL & GAS COMPANY

By: _____

Jon R. Nelsen, Attorney-in-Fact

RECEIVED

FEB 28 2003

DIV. OF OIL, GAS & MINING

WESTPORT OIL AND GAS COMPANY, L.P.

NAME (PLEASE PRINT)

David R. Dix

TITLE

Agent and Attorney-in-Fact

SIGNATURE

DATE

12/17/02

(This space for State use only)



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

IN REPLY REFER TO
UT-922

February 27, 2003

Westport Oil and Gas Company, L.P.
Attn: Gary D. Williamson
1670 Broadway, Suite 2800
Denver, Colorado 80202

Re: Natural Buttes Unit
Uintah County, Utah

Gentlemen:

On February 27, 2003, we received an indenture dated December 17, 2002, whereby El Paso Production Oil & Gas Company resigned as Unit Operator and Westport Oil and Gas Company, L.P., was designated as Successor Unit Operator for the Natural Buttes Unit, Uintah County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective February 27, 2003. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Natural Buttes Unit Agreement.

Your nationwide (Colorado) oil and gas bond No. 1203 will be used to cover all operations within the Natural Buttes Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks
Chief, Branch of Fluid Minerals

Enclosure

bcc: Field Manager - Vernal (w/enclosure)
SITLA
Division of Oil, Gas & Mining
Minerals Adjudication Group
File - Natural Buttes Unit (w/enclosure)
Agr. Sec. Chron
Fluid Chron

UT922:TAThompson:tt:02/27/2003

RECEIVED

FEB 28 2003

DIV. OF OIL, GAS & MINING

Form 3160-5
(August 1999)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

5. Lease Serial No.

SEE ATTACHED EXHIBIT "A"

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

SEE ATTACHED EXHIBIT "A"

9. API Well No.

SEE ATTACHED EXHIBIT "A"

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH COUNTY, UT

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

WESTPORT OIL & GAS COMPANY, L.P.

3a. Address

P.O. BOX 1148 VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7023

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEE ATTACHED EXHIBIT "A"

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	SUCCESSOR OF
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	OPERATOR

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zone. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed when testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator determined that the site is ready for final inspection.

WESTPORT OIL & GAS COMPANY, L.P., IS CONSIDERED TO BE THE OPERATOR ON THE ATTACHED DESCRIBED LANDS AND IS RESPONSIBLE UNDER THE TERMS AND CONDITIONS OF THE LEASE FOR THE OPERATIONS CONDUCTED ON THE LEASED LANDS OR PORTIONS THEREOF, BOND COVERAGE FOR THIS WELL IS PROVIDED BY FEDERAL NATIONWIDE BOND NO. 158626364, EFFECTIVE FEBRUARY 1, 2002, AND BIA NATIONWIDE BOND NO. RLB0005239, EFFECTIVE FEBRUARY 10, 2003.

RECEIVED

MAR 04 2003

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

CHERYL CAMERON

Title

OPERATIONS

Signature

Date

March 4, 2003

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

OPERATOR CHANGE WORKSHEET

ROUTING

1. GLH

2. CDW ✓

3. FILE

X Change of Operator (Well Sold)

Designation of Agent/Operator

Operator Name Change

Merger

The operator of the well(s) listed below has changed, effective: **12-17-02****FROM: (Old Operator):**

EL PASO PRODUCTION OIL & GAS COMPANY

Address: 9 GREENWAY PLAZA

HOUSTON, TX 77064-0995

Phone: 1-(832)-676-5933

Account No. N1845

TO: (New Operator):

WESTPORT OIL & GAS COMPANY LP

Address: P O BOX 1148

VERNAL, UT 84078

Phone: 1-(435)-781-7023

Account No. N2115

CA No.

Unit: NATURAL BUTTES

WELL(S)

NAME	SEC TWN RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
CIGE 3-32-9-22	32-09S-22E	43-047-30320	2900	STATE	GW	P
CIGE 173-32-9-22	32-09S-22E	43-047-32324	2900	STATE	GW	P
NBU 161	32-09S-22E	43-047-32023	2900	STATE	GW	P
CIGE 152-33-9-22	33-09S-22E	43-047-32068	2900	FEDERAL	GW	P
NBU 173	33-09S-22E	43-047-32116	2900	FEDERAL	GW	P
NBU 138	33-09S-22E	43-047-32012	2900	FEDERAL	GW	PA
NBU 138A	33-09S-22E	43-047-32151	2900	FEDERAL	GW	P
COG NBU 93-33E	33-09S-22E	43-047-31753	2900	FEDERAL	GW	P
CIGE 109D-33-9-22	33-09S-22E	43-047-31754	2900	FEDERAL	GW	P
NBU CIGE 27-33-9-22	33-09S-22E	43-047-30738	2900	FEDERAL	GW	P
NBU CIGE 64D-33-9-22P	33-09S-22E	43-047-30950	2900	FEDERAL	GW	P
NBU 112	33-09S-22E	43-047-31930	2900	FEDERAL	GW	P
CIGE 174-33-9-22	33-09S-22E	43-047-32323	2900	FEDERAL	GW	P
CIGE 213-33-9-22	33-09S-22E	43-047-32933	2900	FEDERAL	GW	P
NBU 327	33-09S-22E	43-047-33735	2900	FEDERAL	GW	P
CIGE 242	33-09S-22E	43-047-34022	99999	FEDERAL	GW	APD
CIGE 266	33-09S-22E	43-047-34386	99999	FEDERAL	GW	APD
CIGE 212-34-9-22	34-09S-22E	43-047-32938	2900	FEDERAL	GW	P
NBU 113	34-09S-22E	43-047-31931	2900	FEDERAL	GW	P
NBU CIGE 25-34-9-22	34-09S-22E	43-047-30737	2900	FEDERAL	GW	P

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 02/28/2003
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 03/04/2003
3. The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 03/06/2003
4. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
5. If **NO**, the operator was contacted on: _____

6. (R649-9-2) Waste Management Plan has been received on: IN PLACE

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM-12/31/2003 BIA-12/5/02

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: 02/27/2003

9. **Federal and Indian Communization Agreements ("CA"):**

The BLM or BIA has approved the operator for all wells listed within a CA on: N/A

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 03/18/2003
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 03/18/2003
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

STATE WELL(S) BOND VERIFICATION:

1. State well(s) covered by Bond Number: RLB 0005236

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: 158626364

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: RLB 0005239

FEE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB 0005238
2. The **FORMER** operator has requested a release of liability from their bond on: N/A
The Division sent response by letter on: N/A

LEASE INTEREST OWNER NOTIFICATION:

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

COMMENTS:

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

ROUTING

1. DJJ
 2. CDW

X Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

1/6/2006

FROM: (Old Operator):

N2115-Westport Oil & Gas Co., LP
 1368 South 1200 East
 Vernal, UT 84078
 Phone: 1-(435) 781-7024

TO: (New Operator):

N2995-Kerr-McGee Oil & Gas Onshore, LP
 1368 South 1200 East
 Vernal, UT 84078
 Phone: 1-(435) 781-7024

CA No.		Unit:		NATURAL BUTTES UNIT			
WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE STATUS

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 5/10/2006
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 5/10/2006
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 3/7/2006
- a. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
- b. If **NO**, the operator was contacted on: _____
- a. (R649-9-2) Waste Management Plan has been received on: IN PLACE
- b. Inspections of LA PA state/fee well sites complete on: n/a 3 LA wells & all PA wells transferred
- c. Reports current for Production/Disposition & Sundries on: ok
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 3/27/2006 BIA not yet
- Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: 3/27/2006
- Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- Underground Injection Control ("UIC")** The Division has approved UIC Form 5, Transfer of Authority to Inject, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: _____

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 5/15/2006
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 5/15/2006
- Bond information entered in RBDMS on: 5/15/2006
- Fee/State wells attached to bond in RBDMS on: 5/16/2006
- Injection Projects to new operator in RBDMS on: _____
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a Name Change Only

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: CO1203
- Indian well(s) covered by Bond Number: RLB0005239
- (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB0005236
- a. The **FORMER** operator has requested a release of liability from their bond on: n/a rider added KMG
The Division sent response by letter on: _____

LEASE INTEREST OWNER NOTIFICATION:

- (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 5/16/2006

COMMENTS:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

5. Lease Serial No.

MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

MUTIPLE WELLS

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

KERR-McGEE OIL & GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEE ATTACHED

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other CHANGE OF OPERATOR
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

PLEASE BE ADVISED THAT KERR-McGEE OIL & GAS ONSHORE LP, IS CONSIDERED TO BE THE OPERATOR OF THE ATTACHED WELL LOCATIONS. EFFECTIVE JANUARY 6, 2006.

KERR-McGEE OIL & GAS ONSHORE LP, IS RESPONSIBLE UNDER TERMS AND CONDITIONS OF THE LEASE(S) FOR THE OPERATIONS CONDUCTED UPON LEASE LANDS. BOND COVERAGE IS PROVIDED BY STATE OF UTAH NATIONWIDE BOND NO. RLB0005237.

RECEIVED

MAY 10 2006

DIV. OF OIL, GAS & MINING

BLM BOND = C01203

BIA BOND = RLB0005239

APPROVED 5/16/06

Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

RANDY BAYNE

Title

DRILLING MANAGER

Signature

Date

May 9, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

5. Lease Serial No.

MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

MUTIPLE WELLS

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

WESTPORT OIL & GAS COMPANY L.P.

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEE ATTACHED

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☐ Notice of Intent

☒ Subsequent Report

☐ Final Abandonment Notice

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other CHANGE OF
OPERATOR

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

EFFECTIVE JANUARY 6, 2006, WESTPORT OIL & GAS COMPANY L.P., HAS RELINQUISHED THE OPERATORSHIP OF THE ATTACHED WELL LOCATIONS TO KERR-McGEE OIL & GAS ONSHORE LP.

APPROVED 5/16/06

Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

RECEIVED

MAY 10 2006

DIV OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

BRAD LANEY

Signature

Title

ENGINEERING SPECIALIST

Date

May 9, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Brad Laney

Title

Office

Date

5-9-06

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Colorado State Office
2850 Youngfield Street
Lakewood, Colorado 80215-7076

IN REPLY REFER TO:

CO922 (MM)
3106
COC017387 et. al.

March 23, 2006

NOTICE

Kerr-McGee Oil & Gas Onshore L.P. :
1999 Broadway, Suite 3700 : Oil & Gas
Denver, CO 80202 :

Merger/Name Change - Recognized

On February 28, 2006 this office received acceptable evidence of the following mergers and name conversion:

Kerr-McGee Oil & Gas Onshore L.P., a Delaware Limited Partnership, and Kerr-McGee Oil & Gas Onshore LLC, a Delaware Limited Partnership merger with and into Westport Oil and Gas Company L.P., a Delaware Limited Partnership, and subsequent Westport Oil & Gas Company L.P. name conversion to Kerr-McGee Oil & Gas Onshore L.P.

For our purposes the merger and name conversion was effective January 4, 2006, the date the Secretary of State of Delaware authenticated the mergers and name conversion.

Kerr-McGee Oil & Gas Onshore L.P. provided a list of oil and gas leases held by the merging parties with the request that the Bureau of Land Management change all their lease records from the named entities to the new entity, Kerr-McGee Oil & Gas Onshore L.P. In response to this request each state is asked to retrieve their own list of leases in the names of these entities from the Bureau of Land Management's (BLM) automated LR2000 data base.

The oil and gas lease files identified on the list provided by Kerr-McGee Oil & Gas Onshore L.P. have been updated as to the merger and name conversion. We have not abstracted the lease files to determine if the entities affected by the acceptance of these documents holds an interest in the lease, nor have we attempt to identify leases where the entity is the operator on the ground that maintains vested record title or operating rights interests. If additional documentation, for change of operator, is required you will be contacted directly by the appropriate Field Office. The Mineral Management Services (MMS) and other applicable BLM offices were notified of the merger with a copy of this notice

Please contact this office if you identify additional leases where the merging party maintains an interest, under our jurisdiction, and we will document the case files with a copy of this notice. If the leases are under the jurisdiction of another State Office that information will be forwarded to them for their action.

Three riders accompanied the merger/name conversion documents which will add Kerr-McGee Oil and Gas Onshore LLC as a principal to the 3 Kerr-McGee bonds maintained by the Wyoming State Office. These riders will be forward to them for their acceptance.

The Nationwide Oil & Gas Continental Casualty Company Bond #158626364 (BLM Bond #CO1203), maintained by the Colorado State Office, will remain in full force and effect until an assumption rider is accepted by the Wyoming State Office that conditions their Nationwide Safeco bond to accept all outstanding liability on the oil and gas leases attached to the Colorado bond.

If you have questions about this action you may call me at 303.239.3768.

/s/Martha L. Maxwell
Martha L. Maxwell
Land Law Examiner
Fluid Minerals Adjudication

Attachment:

List of OG Leases to each of the following offices:

MMS MRM, MS 357B-1

WY, UT, NM/OK/TX, MT/ND, WY State Offices

CO Field Offices

Wyoming State Office

Rider #1 to Bond WY2357

Rider #2 to Bond WY1865

Rider #3 to Bond WY1127



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
<http://www.blm.gov>



IN REPLY REFER TO:
3106
(UT-922)

March 27, 2006

Memorandum

To: Vernal Field Office

From: Chief, Branch of Fluid Minerals

Subject: Merger Approval

Attached is an approved copy of the merger recognized by the Bureau of Land Management, Colorado State Office. We have updated our records to reflect the merger from Westport Oil and Gas Company L.P. into Kerr-McGee Onshore Oil and Gas Company. The merger was approved effective January 4, 2006.

Chief, Branch of
Fluid Minerals

Enclosure

Approval letter from BLM COSO (2 pp)

cc: MMS, Reference Data Branch, James Sykes, PO Box 25165, Denver CO 80225
State of Utah, DOGM, Attn: Earlene Russell, PO Box 145801, SLC UT 84114
Teresa Thompson
Joe Incardine
Connie Seare
Dave Mascarenas
Susan Bauman

RECEIVED

MAR 28 2006

ENV. OF OIL, GAS & MIN. '06